DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 21 Section 1 July 25, 1924

Gray Silver Heads Grain Merger

A Chicago dispatch to the press to-day states that Gray Silver, Washington representative of the American Farm Bureau Federation, yesterday was elected president of the $26,000,000 Grain Marketing Company, representing a merger of five of the largest grain companies in the country, which eventually is to be farmer-owned and controlled, according to plans. Other officers elected by the board of directors are: Harry L. Keefe, Walthill, Nebr., first vice president; G. M. Dyer, Spencer, Iowa, second vice president; J. W. Coverdale, Ames, Iowa, secretary-treasurer. The executive committee is composed of President Silver, Secretary Coverdale, Milliard Myers, Chicago, chairman of the board of directors; Mr. Keefe and Fred A. Mudge, of Peru, Ill. The officers and board will serve until the second week in February 1925, when the first annual meeting of the grain marketing company will be held.

The American Farm Bureau Federation issues a statement to-day saying: "Any criticism of the merger is premature, as the plan has not yet been perfected and it must be developed in harmony with the best interests of the grain producers if it is to have the sanction of the American Farm Bureau. Criticism appears to center in the National Wheat Growers' advisory committee and the National Council of Farmers' Cooperative Marketing Association. These are the organizations in which Frank O. Lowden, Walton Peteet and Aaron Sapiro are active leaders."

Armour Denies Monopoly

The press to-day states that Armour & Co. of Chicago have made public figures to show that that company can not obtain a monopoly of the meat packing industry through its acquisition of Morris & Co. At the time of the consolidation this question was raised. The statement is based on data compiled for the Secretary of Agriculture and shows the proportion of the total slaughtering business in the United States done by Armour & Co. since they bought the Morris Company. In 1923 Armour's share was 14.84 per cent. This includes nine months of consolidation. Similar data prepared on the basis of Government reports are said to show definitely what proportion of the total business in certain other important lines allied with meat packing is handled by Armour & Co. since their purchase of the Morris properties. According to these compilations, Armour in 1923 handled 1.19 per cent of the wool business of the United States, 4.5 per cent of the glue business, 2.64 per cent of the soap business, 3.02 per cent of the crude cottonseed oil business and 3.84 per cent of the business in butter, cheese, poultry and eggs.

Cotton Bureau in Japan

The press of July 24 says: "The opening of a sales office in Japan for the handling of business of various cooperative associations is planned by the American Cotton Growers' Exchange, of Memphis, Tenn. The office will be in charge of experienced cotton men who are qualified to handle the trade in the Far East. Japan uses 700,000 bales of American cotton each year."

Section 2

Agriculture

In an editorial demonstrating by expressed authoritative opinion that farming is "on the upgrade," The Country Gentleman for July 26 says: ".....These men are not whistling to keep up their courage; neither are they issuing impossible campaign hokum. Some of them take a long look ahead, but all agree that the turn has come--that agriculture to-day is on the mend. Four very definite factors strengthen the belief that the tide has turned. The first affects this year primarily. In the big farm staples--wheat, corn, hogs, cotton, wool and cattle--production will undoubtedly be less than in the three preceding bumper-crop years, and with this smaller output there will be no deadening surplus to depress prices. Second, we are working slowly but surely toward a better balance in prices between town and country. The farmer's dollar is gaining in value as the industrial boom recedes. Third, our population is increasing at the rate of 2,000,000 a year, and inasmuch as a greatly decreased death rate is at least partly responsible there is reason to believe that the gain will continue. The addition of that number to the population is equivalent to adding a city the size of Philadelphia to the consumption requirements of the Nation every year. Fourth, we are rapidly coming into a period of business farming. By comparison with such concrete facts as short crops, industrial readjustment and population increase, business farming may appear somewhat vague; nevertheless to many people it offers the greatest hope of all."

Bird Protection

Commercial West for July 19 says: "Much has been said in the press during the past years about conservation of our national resources. Particularly has attention been given to the needs of reforestation in the different States. There has also been considerable controversy over whether some varieties of birds are harmless, or beneficial to the farmers. Only recently a war has been made upon the crow. During the past few years in Montana, North Dakota, and other Western States, tons upon tons of poisoned bran and other materials have been used to destroy grasshoppers, and with these worthy efforts to destroy the 'hoppers, the birds of the prairies as well as the forests have been poisoned by the hundreds and thousands.....He who cares to observe the facts will find that the insects which destroy foliage, and ultimately tree life, are the food of many varieties of birds, and where the birds are not destroyed the most healthy forestry will be found. Recognizing this fact the Canadian Government has laws protecting bird life. In a recent statement an estimate is given that crops valued at one hundred million are destroyed every year in Canada by insect pests. It is also charged that the attitude of the farmers is responsible for the destruction of bird life in Canada. The same claim can be made for the United States. It is now proposed to put bird culture in Canada on a strictly business basis. Bird sanctuaries have been established and many more will be provided for every province so as to give birds protection. Hunting laws will be enacted that will lessen the killing of birds and thus it is expected that within a few years Canada will save the one million dollars' worth of crops that are now annually destroyed."

Butter Tariff

The Journal of Commerce for July 25 says: "According to the latest reports from Washington the Tariff Commission will hurry its investigation into the question of the duty on butter so that a decision may be handed down before the Presidential elections.....But the haste with which the investigation is to be made will probably preclude any investigation into costs in Denmark and other producing countries, which country provides us with the bulk of our butter imports. Such a method of procedure is illustrative of the harmful influences which can come of the so-called flexible provisions of the Tariff act....."

Cooperation

An Associated Press dispatch from Newell, S.D., July 21 states that President Pugsley of South Dakota State College, in an address prepared for delivery at a community picnic at Newell July 19, discussed the necessity for cooperative action as an aid to the new farm program of balanced and diversified agriculture in South Dakota, and the relation of dairying to this program. "In the field of political action," Dr. Pugsley declared, "farmers as a class have interests diametrically opposed to those of most other groups, hence the cause of legislative aid from joint action is slight, and the farm population must act for itself to elevate its condition as a class." Centering the attention of his audience on the development of farmers' cooperative enterprises, the speaker asserted that any privately owned and operated business that can not compete with cooperative business should fail. "Cooperators are asking for only a fair field," he continued. "They want no favors. They never have monopolized and controlled the business of the entire country. They do not need to. They serve as regulators and governors on the business machine. This is the history of cooperation in all countries."

Corn from Argentina

The Journal of Commerce for July 24 says: "Current reports suggest the possibility of considerable imports of corn into this country from Argentina during the next few months. At the moment it is claimed in some quarters that the difference between the going prices in Argentina and New York, for example, are sufficient to attract shipments in this direction. Whether such sales actually occur will necessarily depend in large measure upon the course of prices in the future. There is nothing unprecedented in such a development and nothing to be feared. We, of course, normally produce a great deal more corn than is ultimately consumed in this country. We shall in all probability do so this year. But the larger part of our corn is exported in the form of meat and meat products. If it should prove profitable for us to buy corn in Argentina and re-export it--or what amounts to that--in the form of pork or pork product certainly there is no reason on earth why we should not do so."

European Market

An editorial in The Breeder's Gazette for July 17 says: "Edwin G. Nourse reaches the conclusion in his recent book on American Agriculture and the European Market 'that, as a prosperous Europe in the position of a heavy creditor of the United States was declining in importance as a market for our agricultural products at pre-war price levels, a less prosperous Europe, shorn of her credits

here and our debtor on a tremendous scale, can not be expected to be a good market at present and prospectively higher levels of cost. Hence, agricultural exports may be expected to drop still further in 1924 and thereafter. For American agriculture to plan her future building on the foundation of an expected revival and growth of the European market would, therefore, mean building on quicksand.' Mr. Nourse's conclusion may be sound, so far as certain kinds of American agricultural products are concerned. It may well be that the exportation of grain from the United States to Europe is henceforth to be increasingly less in volume. We think this highly probable. We think it desirable, from the viewpoint of American soil fertility. Our opinion is that our agricultural exports to Europe in the next decade will consist largely of manufactured or finished commodities instead of raw materials. It were much better for us that we should export flour instead of wheat, and that we should convert our grain and forage crops into livestock, and export animal products in manufactured or processed forms. This would conserve our soil fertility, reduce the cost of transportation, react favorably upon our labor and our manufacturing industries, and aid the forces that are working for a diversified and better stabilized agriculture."

Foreign Relations

An Atlantic City dispatch to the press of July 24 says: "American capital invested in Europe under the direction of American business men will solve all the vital questions of Europe to-day, Jeremiah W. Jenks, professor of political research of New York University, declared before the weekly luncheon of the Shore Lions Club at Atlantic City, July 23. 'American money must not only be lent, but it must be invested there in an unselfish way,' Professor Jenks said. This is the solution to the problem. We will help put Europe back on her feet and at the same time receive recompense for our investments.'"

Forestry in Michigan

Florida Times-Union for July 18 says: "Years and years ago, Michigan was blessed with immense forests. To-day that State, like many others, practically is denuded of forests. The slaughter was ruthless, and now there is sincere regret that long ago the calamity that has befallen Michigan was not foreseen and practical efforts made to save, at least, some of the original forests. Of course, lumbering in Michigan brought immense amounts of money into the State. But at what cost ! ...The Detroit Free Press well may find satisfaction in noting what the people of Michigan are doing to save, at least, a few trees along their public highways. That journal of enlightenment recently has received what it designates as 'comforting news' from Iron County, way off in the northwestern portion of Michigan, which news is to the effect that efforts are being made to save from destruction some slight portion of forests, before the last work of the destroyers is completed in the State... It will be noted that the Free Press rejoices in the 'joy and embellishment' that is in this saving of trees of the forest. There is far more than that. It is an indication that the people of Michigan are awakening to the very great need of forest preservation. It, also, may mean that more determined efforts will be made to save

what of original forests remain, and that great areas that have been denuded of trees will be replanted, so that future generations may be compensated for the loss inflicted by forest destroyers of the long ago and of the more recent past. Florida rapidly is reaching the condition in which Michigan finds itself. The forests are disappearing, with comparatively little effort for saving or in the matter of reforestation. There has been some commendable consideration of this matter in Florida, and some praiseworthy efforts made along the line of forest-saving and reforestation. Very much more needs to be done before it is too late."

Grain Marketing Company

An editorial in The New York Times for July 24 says: "The president of the Nebraska Farmers' Union warns his associates against buying stock in the $26,000,000 elevator cooperative plan in process of organization at Chicago. The scheme is too big for his liking. He suspects a plot to sell the elevators to the farmers at the sellers' price. He further intimates that the promoters of the elevator combine are 'taking advantage of cooperative marketing laws to evade obstructions set up in antitrust laws.' Such things may be, for they have been. The very next day after this warning that 'calamity is certain to follow' such manoeuvres by corporations, instead of by genuine farmers, thirty-six grain companies in the wheat region offered to sell over a thousand elevators to the president of the American Farm Bureau Federation. That is an 'organization not for profit,' and can not buy, though it could readily transfer to those who may think that the farmers are exploited by the capitalists. It is true that farmers might realize higher prices by what they call 'orderly marketing.' By this they mean sales in the later crop months. On an average of thirty-nine years at Minneapolis the spread between early and late months' prices of wheat is 11 cents. The cost of waiting for the higher price is 12 cents. In the Chicago market the spread in the cash market prices is 9 cents on a forty-two-year average, but the cost of carrying the crop is 6 cents more than the price increase. Half the wheat raised is sold within ninety days after the harvest, but it does not follow that the producers lose money by prompt selling. If orderly marketing is another phrase for holding the crop for a rise, it should be understood that this is speculation. Any profits that result are earned and are not a gift to the speculators. According to the current news of the last cotton crop, the Arkansas Cotton Growers' Cooperative Association lost $500,000 on the sales of planters' pledged cotton. The Southwest Wheat Growers' Association handled over three million bushels of farmers' wheat, and the pool received 5 to 13 cents less than those who sold to the elevators or through the exchanges. The farmers would better leave speculation to the speculators."

Reforestation

Southern Ruralist for July 15 says: "There is no need to bring more land under the plow. Any move of importance to that end is a move toward more troubles for agriculture. The thing to do, therefore, with the millions of acres of cut-over lands here in the South is to immediately begin reforestation in dead earnest. That is the most profitable way in the world to occupy these lands, and so occupied, they will eventually become an asset of enormous value, probably exceeding the value of the original forest."

Section 3
MARKET QUOTATIONS

Farm Products

July 24: Chicago hog prices closed at $9.30 for the top and $8.25 to $9 for the bulk. Medium and good beef steers $7.50 to $10.85; butcher cows and heifers $3.60 to $9.90; feeder steers $4.75 to $8.50; light and medium weight veal calves $8 to $10.25; fat lambs $11 to $13.50; feeding lambs $10.50 to $12.25; yearlings $8.25 to $11.25; fat ewes $3.50 to $6.75.

Potatoes lower; Eastern Shore of Virginia and Maryland Irish Cobblers closed at $1.75-2.50 per barrel eastern consuming markets, $1.75 f.o.b. Onley, Virginia. Peach markets fairly steady. Georgia Elbertas $1.50-2.00 per six-basket carrier and bushel basket city wholesale markets, $1-1.35 f.o.b. Macon. California cantaloupes generally firm; best Salmon Tints, standards 45's $3.-3.50, reaching $3.75 in New York. Watermelon markets slightly improved. Georgia and South Carolina Tom Watsons, 22-30 pound average $125-350 bulk per car leading cities, $160-225 f.o.b. Macon. Delaware and Maryland early varieties of apples, medium sizes $1.25-1.50 per bushel basket in New York; New Jersey stock $1.50-2.00.

Closing prices on 92 score butter were: New York 39¢; Chicago 37 1/4¢; Philadelphia 40¢; Boston 39 1/2¢. Closing prices at Wisconsin primary cheese markets July 23: Twins 17 3/4¢; Single Daisies 18 1/2¢; Double Daisies 18 1/4¢; Longhorns 18 1/4¢; Young Americas 18 1/2¢; Square Prints 18 1/2¢.

Grain prices quoted July 24: No.1 dark northern spring Minneapolis $1.35-1.56. No.2 red winter Chicago $1.32; Kansas City $1.38; St. Louis $1.41-1.43. No.2 hard winter Chicago $1.31 1/2-1.35; Kansas City $1.20-1.33; St. Louis $1.29-1.30. No.2 yellow corn Chicago $1.10-1.11; Minneapolis $1.03 1/2-1.05 1/2. No.2 yellow corn Kansas City $1.06; St. Louis $1.09. No.3 white corn Kansas City $1.05; St. Louis $1.09-$1.10. No.3 white oats Chicago 53 3/4-55 cents; Minneapolis 49-49 1/2 cents; St. Louis 55 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 56 points, closing at 30.49¢ per lb. New York July future contracts declined 54 points, closing at 34.25¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	July 24,	July 23,	July 24, 1923
20 Industrials	99.36	99.40	90.16
20 R.R. stocks	90.10	89.60	79.45

(Wall St. Jour., July 25.)

DAILY DIGEST

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Vol. XIV, no. 22 Section 1 July 26, 1924.

The New Grain Merger

A Chicago dispatch to the press to-day states that the Grain Marketing Company formed by the $26,000,000 merger of four Chicago and one Kansas City grain companies which eventually is to be farmer owned and controlled, according to plans, will begin functioning actively within two weeks, some of those working on the plans estimated July 25. Financing of the company, which will have elevator capacity of upward of 50,000,000 bushels, was reported to have been virtually completed. Should the proposition of the leading grain men at Minneapolis and Duluth to sell their business to the farmers be accepted, there would be storage capacity at Duluth, Minneapolis and at country elevators for more than 75,000,000 bushels, and the farmers would have control of the grain trade of the country.

The Grain Market

Glenn Griswold, Chicago correspondent of The Philadelphia Ledger, in July 25 issue says: "Not in two years has there been so much interest in the grain markets as is manifest at present. When, day after day, the progress of quotations is chronicled on the front page of the newspapers, there is no room for doubt of the public attention....New life has been injected into the Chicago Board of Trade, which only three months ago bore all the earmarks of a wake to those who remembered its halcyon days, when the noise and excitement suggested a mob fight. The Grain Futures administration now announces that Wednesday's turnover of 81,009,000 bushels of wheat has been exceeded only three times since January 1, 1921--three and one-half years. October 5, 1921, February 8, 1922, and March 9, 1922, the total of this week was surpassed, but from the last date to this spring there was a constant decline in interest in the grain markets. ...Commercial firms doing business with the farmer see in the advancing grain prices new life for their order books, and are preparing accordingly. Bankers see in it the first real opportunity for the farmer to get out of the banks partly at least."

Mexico May Exclude Hunters

A Tucson, Ariz., dispatch to the press to-day states that the American big game hunter may find himself barred from Mexico, it was stated by Ben Tinker, who guards Mexico's game by appointment of the Mexican Government and is back at his home at Tucson. Tinker said there was a growing sentiment in Mexico against foreign hunters. He attributed this to the alleged ruthlessness of some of them in slaughtering deer and other game. He described Mexican officials as determined to prevent Americans from enjoying the big game hunting afforded in the mountains and plains of the Northwestern States. Big game has been diminishing rapidly in Mexico, Tinker said, and President Obregon has determined to put a stop to wanton and useless destruction. A 10-year closed season on big horn and sheep was started more than a year ago. At the next session of the Mexican Congress it is expected that a measure will be passed limiting the killing of all classes of game to a few months each year, with bag limits on deer, turkey and javali hogs.

Section 2

Grain Marketing Company

Stephen Bell, writing on the new Grain Marketing Company, in Commerce and Finance for July 23, says: "From time immemorial efforts have been made to reduce the spread between producers' prices and consumers' costs, the usual result of which has been to cut into or destroy profits by increasing the costs of doing business. The only measurable success in reducing consumers' costs has been achieved by giant department stores, mail order houses and the chain stores, and whatever success these have attained has brought forth wails of distress from the business world and much popular condemnation as heartless monopolies seeking to crush individual enterprise. Man is a hard animal to please. The State of North Dakota sought to put an end to the 'extortionate' profits of the flour millers by investing some $4,000,000 in a State mill and elevator at Grand Forks. From October 23, 1922, to July 31, 1923, it accumulated a net operating loss of $128,058.53. In the remaining five months of the year it made an apparent profit of $49,633.06. In neither period, however, was interest on the investment or reserves for depreciation included in the figures. The logic of these figures is that either some miscalculation had been made of the millers' extortionate profits, or that a State government is constitutionally unfitted for conducting competitive enterprises. An interesting subject for thought concerns the motive of these great grain dealers in selling out to the farmers. Do they calculate on the eventual failure of the enterprise and getting their properties back at a bargain price? Or have the laws so numerously passed to curb speculation taken all the profit out of the business and induced them to get from under? Or have they been seized with something of the philanthropic urge that of late has prompted so many men in different parts of the country to turn their business over to their employees? The big grain magnates do not tell. But it does not require a particularly shrewd guesser to surmise that they are tired of conducting without profit a business which is constantly assailed by the very people they aim to serve, and that they have decided to give the farmers once and for all a chance to find out the truth about grain marketing and to make good if they can."

Grain Price Rise

Fort Wayne Journal Gazette for July 19 says: "While no farmer, after his experience during the past three years, will be disposed to quarrel with his blessings, however small, no farmer who has an intelligent notion of what has hit him will be swayed in his political notions by the recent upward tendency of the grain markets. Whether conditions in the world markets or artificial operations for the raising of prices be responsible for better quotations, the benefit has been long coming, is but a drop in the bucket for the farmer and brings with it neither assurance of permanence nor relief in any other direction. It is pointed out that the improved prices of recent days will mean a quarter million additional in the pockets of Allen County farmers--if the better prices persist until they can get their new crops to market. That will not pay their fall installment of taxes. The gain may help some mortgaged farmer to meet interest, but it will not do much more. There is not enough to go round when it comes to distributing the

gains from grain prices among all the costs of living and of the operation of the agricultural industry. The causes of agricultural depression lie so deep and are spread so wide that a season's good wheat market or corn market can aid the farmer little and give him no security for the future."

Section 3

MARKET QUOTATIONS

Farm Products

July 25: Chicago hog prices closed at $9.50 for the top and $8.35 to $9.20 for the bulk. Medium and good beef steers $7.50 to $10.85; butcher cows and heifers $3.60 to $9.90; feeder steers $4.75 to $8.50; light and medium weight veal calves $8. to $10.25; fat lambs $11 to $13.75; feeding lambs $10.50 to $12.25; yearlings $8.50 to $11.50 and fat ewes $3.50 to $6.75.

Virginia and Maryland Eastern Shore Irish Cobbler potatoes 25-50¢ lower at $1.75-2.65 per barrel in leading eastern city markets, $1.90-2.00 f.o.b. Georgia peaches, Elbertas $1.50-2.25 per six basket carrier and bushel baskets in consuming centers, $1-1.25 f.o.b. California cantaloupes irregular. Salmon Tints, standards 45's closed at $3-3.50, top of $4 for Turlock Section stock in New York. Watermelons recovering. Georgia Tom Watsons, 22-30 pound average, $50-150 higher in some cities, closing at $175-375 reaching $520 in New York. Delaware and Maryland early varieties of apples, medium sizes, $1-1.50 per bushel basket in New York. New Jersey Yellow Transparents $1.50-2.50.

Closing price on 92 score butter: New York 38 1/2¢; Chicago 36 1/2¢; Philadelphia 39 1/2¢; Boston 39¢. Closing prices at Wisconsin primary cheese markets July 24: Twins 18 1/4¢; Single Daisies 18 1/2¢; Longhorns 18 1/2¢; Young Americas 18 3/4¢; Square Prints 18 3/4¢.

Grain prices quoted July 25: No.1 dark northern spring Minneapolis $1.37-1.58. No.2 red winter Chicago $1.33 3/4-1.35; Kansas City $1.39. No.2 hard winter Chicago $1.33 1/2-1.39 1/2; Kansas City $1.21-1.34. No.2 yellow corn Chicago $1.10 1/2-1.11; Minneapolis $1.05 3/4-1.06 1/4. No.3 yellow corn Minneapolis $1.03 1/4-1.04 1/4. Kansas City $1.06. No.3 white corn St. Louis $1.10; Kansas City $1.05-1.06. No.3 white oats Chicago 53-54 1/2 cents; Minneapolis 50 1/2-51 cents; St. Louis 55 1/2-56 cents; Kansas City 54 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 69 points, closing at 30.49¢ per lb. New York October future contracts declined 53 points, closing at 27.87¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	July 25,	July 24,	July 25, 1923.
20 Industrials	99.60	99.36	90.87
20 R.R. stocks	90.40	90.10	79.64

(Wall St. Jour., July 26.)

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Vol. XIV, no. 23 Section 1 July 28, 1924.

Cotton Conditions A London dispatch to the press to-day states that the unfavorable report on the condition of cotton made by the United States Department of Agriculture has caused consternation in British cotton trade circles. Spinners and manufacturers have raised their quotations, but buyers are often refusing to pay more. It is feared that manufacturers, who had arranged to run more machinery, will not now do so.

Superpower Report Recommendations for the construction and development of great interconnected steam and hydroelectric power projects throughout the northeastern section of the United States, estimated to make possible a saving of 50,000,000 tons of coal annually, lower the cost of producing electric power and extend the use of electricity generally to farm areas, are contained in a report made public July 27 by the engineer subcommittee of the Northeastern Superpower Committee, headed by Secretary Hoover. The report covers the outstanding features of the superpower development long contemplated for the New England and Middle Atlantic States area and goes into technical questions involved in the plan of utilizing the sources of electrical energy as derived from both water and fuel and the probable demands that will exist in 1930. (Press, July 28.)

Railroads Offer Crop Service According to a report of the Car Service Division of the American Railway Association, the railroads are cooperating in a movement to help speed prosperity to farmers who, through the sharp increase in commodity prices in the last two months, stand an excellent chance this year of recouping their losses of the year before. The carriers are sending a request to the industrial sections of the Nation to buy their autumn and winter coal early so as to clear the tracks for sending farm produce to the markets in the peak of the crop movement.

The Interallied Conference In a long editorial on conditions at the London conference, The Washington Post of July 27 says: "Two huge rocks lie in the channel of the negotiations in London. Either is capable of wrecking not only the Dawes plan, but the hopes of European restoration. Despite the strenuous efforts of all the negotiators, ably abetted by Secretaries Hughes and Mellon, Ambassador Kellogg, Col. Logan, Owen D. Young and American financiers, the obstacles remain. One of these is the fixed determination of France to retain the right separately to exercise coercion against Germany in case of the latter's failure to pay reparations under any plan. The other is Germany's fixed determination to reject any plan agreed upon in London unless the German representatives are admitted to the conference with equal powers of negotiation in adjusting the details of the Dawes plan, which all parties have accepted in principle...."

Section 2

Agricultural Profits

A Chicago dispatch to The Wall Street Journal of July 25 says: "Sears-Roebuck Agricultural Foundation points out that most of the estimated $1,000,000,000 increase in agricultural wealth is as yet in the form of 'paper profits' only, as farmers have sold only a small part of their holdings at the high prices and actual money received will depend on values over the next 12 months. The foundation is of opinion that in some products such as wheat and hogs further advances are more likely than any substantial setback. Not all the grain crops are sold for cash, it is point out. Part of the wheat and rye crops are used on the farm as seed or feed, and only about 2% of the corn crop is sold out of the county where it may be grown. Income from grains used for feed depends on prices for livestock and livestock products. Foundation estimates rise in values of grain crops, taking farm stocks into account, at $400,000,000 between June 19 and July 19. Advance of 15% in new crop deliveries of corn has little more than compensated for decline in probable yield compared with expectations a month ago. Assuming farm holdings of 500,000,000 bushels as of July 1, increase in cash corn prices has added $125,000,000 to farm wealth since June 19. In the same period advance in value of total supply of wheat is estimated at $160,000,000, rye $7,000,000 and oats $65,000,000."

Agricultural Speculation

The Journal of Commerce for July 25 says: "The erratic and startlingly rapid advances in the prices of certain agricultural commodities which have followed the receipt of news indicating crop failures, drought, insect damage, etc., offers some food for sober reflection concernin the fundamental causes of these price shifts. In one place the statement is made, for example, that news of black rust and pessimistic forecasts of a 40,000,000 bushel Alberta wheat crop led to aggressive buying, with rapid advances in wheat prices. Elsewhere it is stated that the Alberta Minister of Agriculture announces that the Government has made no estimate of the crop and that there is no information available that would warrant a reasonably accurate guess concerning it. Leaving out of account any discussion of the authenticity of this and other rumors concerning agricultural prospects, it is significant that the market response should have been so extreme. In a time such as the present, when normal business demand is at a low ebb and funds are in abundant supply, there is a tendency to exaggerate speculative price movements as a natural result of the restriction of purchasing power to a more limited field of activity. The effect of this situation on the general investment market is a well understood phenomenon, but in the case of speculative activities the results are more obscure. It is evident, however, that the current situation offers considerable opportunity for encouraging an unduly speculative attitude among buyers and sellers. It is a disposition that needs to be guarded against, a tendency that calls for caution in appraising the significance of political events as well as conservatism in interpreting current trade and crop reports."

Cooperative Marketing in New England

An editorial in New England Homestead for July 19 says:"... Tendencies in the West and South have a direct bearing upon the plan for a New England-wide dairy system. They show the big progress which is being made toward improved distribution. Minnesota creameries already are in a State-wide marketing system that represents many more farms than all New England. Federated Fruit and Vegetable Growers, Inc. is another big co-op, which this year will sell upward of 50,000 carloads of its members' produce. California and Florida fruit growers' co-ops are becoming more and more aggressively efficient. All such agencies aim at the eastern market. Their purposes will be helped by the lower long-haul rates which Congress practically ordered the Interstate Commerce Commission to put in force at earliest possible date. In self-defense, New England farmers must perfect equal efficiency in their marketing methods, or their stuff will be at a disadvantage right here in our own New England markets. This is a profoundly important reason why New England's dairy, fruit, potato, truck and tobacco co-ops have come none too soon. Picayunish prejudices must not stand in their way. They must have the best of management and loyal support....."

County Agents

S. W. Farmer-Stockman for July 15 says: "During the past few years the general public has come to a better understanding of the position of county agricultural agents. People now realize the educational character of extension work, and regard the county agent as a public official, representing the State college of agriculture, the United States Department of Agriculture and their own rural group. That it is not part of his official duties to perform for individual farmers or for organizations such activities as production, marketing or responsibility for social organizations, is better appreciated, the rural public has learned to look to the county agent for what is far more important--the distribution of helpful information in all these fields in such ways as experience has shown to be most effective in reaching a large number of people."

Farm Values

Pennsylvania Farmer for July 25 says: "There is a good bit being said about the slump in farm values as compared with those of 1920. It is estimated that the valuation at this time is less by 18 billion dollars than it was four years ago and the inference is that farmers are losers to that extent. It is always well to be fair and honest in making comparisons. When there is a real loss by anyone somebody else must be a gainer by that much. In this case, who got the eighteen billion dollars? Probably 90 per cent of the farm owners owned the same farms five and even ten year ago that they own now. A very small percentage bought at inflated values five or six years ago and of course they stand to lose. But for the rank and file of farm owners our contention is that a comparison of values with those of 1920 is not a fair comparison. The prices assumed to prevail four years ago were fictitious and had no basis in the average earnings of farms during the last 10 or 20 years. However, there is no question but that the inadequate farm prices which have prevailed for the last three years have tended to decrease the demand for farms. Real estate agencies and loan banks bear witness to the truth of this statement. But even

under the adverse conditions good farm lands bring a higher price (when they do sell) than they did before the war. It is not necessary nor sensible to add to the real troubles of the farmer the erroneous idea that farmers have lost 18 billion dollars which they did not have."

Grain Elevators in Canada

The Grain Growers' Guide (Winnipeg) for July 16 says: "The interim report of the Royal Grain Enquiry Board, tabled in the House of Commons, last week, brings into prominence the peculiar system under which the publicly-owned terminal and transfer elevators in Canada are operated. From Halifax to Vancouver there are a large number of terminal elevators built with public money, for the purpose of handling the wheat grown in the prairie provinces. On the west coast these elevators are owned and operated by the Vancouver Harbor Commission, a Federal body. The terminals at Calgary, Saskatoon, Moose Jaw and Port Arthur are operated directly by the Board of Grain Commissioners. The transfer elevators on the east side of the Great Lakes are operated partly by the Canadian National Railways and partly by the Department of Railways and Canals. At Montreal and Quebec the terminals are operated by the Harbor Commissioners, who are officials of the Federal Government. Further east, at Halifax and St. John, the terminal elevators are operated by the National Railways. Thus this huge publicly-owned system of terminal and transfer elevators is operated by half a dozen different bodies. The Board of Grain Commissioners is under the Minister of Trade and Commerce, the Harbor Commissions are under the Minister of Marine and Fisheries, and the National Railways under the Minister of Railways, consequently there are not only several different public bodies operating the elevators, but these bodies are in turn responsible to three different ministers in the Government. When the Canada Grain act was placed on the statute books in 1912, it created the Board of Grain Commissioners to supervise and regulate the entire grain trade in the interests of and for the protection of the growers of the grain, but the Board of Grain Commissioners was never given full authority over the terminal and transfer elevators....The Royal Grain Enquiry Commission, under the chairmanship of Judge Turgeon, has recently investigated the situation at Vancouver, and recommends 'that the elevators of the Vancouver Harbor Commission should be acquired by the Government of Canada and vested directly in the Crown.' Furthermore, the report of the commission states that 'the operation of terminal elevators should not be made part of the functions of the Board of Grain Commissioners since it is charged with the general administration and control of the grain trade.' As a solution of the problem, the commission recommends 'that the operation and management of the Government elevators be divorced entirely from the Board of Grain Commissioners, that all of the Government-owned terminals in Canada should be brought under a central management in charge of a special commissioner, or a statutory body created exclusively for that purpose. This would put all of the public elevators under one management and the Commission recommends that the management of these public elevators should in turn be subject to the jurisdiction and control of the

Board of Grain Commissioners, and should operate under license from the board in exactly the same way as any private company operates elevators. The acceptance of the recommendations of the Turgeon Commission by the Dominion Government would clear up an anomalous situation that has prevailed for many years. There can be no uniformity in the operation of these terminal elevators operated by many different public bodies and responsible to three separate ministers in the Government. The grain trade is an enormous business, separate and distinct from other commercial activities, and the Turgeon Commission makes a business-like recommendation in proposing that the publicly-owned terminals should be all brought under one central management, and that management be subject to the supervision and control of the Board of Grain Commissioners. This would establish the authority of the Board of Gr Grain Commissioners as was originally intended. It would prevent disputes between the various operating bodies and the Board of Grain Commissioners, and would undoubtedly provide for more efficient service in the interests of the producers of wheat, and would bring all the grain-handling facilities in Canada under the supervision of one body."

"Pittsburgh Plus" An editorial in The Philadelphia Ledger for July 24 says: "The decision of the Federal Trade Commission abolishing 'Pittsburgh Plus' is the first victory for eleven State Legislatures, 6,000,000 farmers and the people of twenty-eight Western and Southern States in their long fight against the steel industry. There is hardly a farmer in America who does not know and condemn 'Pittsburgh Plus.' Nor any steel user who has not felt the burden of what steel de as an 'immemorial custom.'....The farm angle of 'Pittsburgh Plus' is a most significant one. Of every 100 users of rolled steel, seventy-five are farmers. Farms absorb three-sevenths of all steel and iron made. Since most farm implements are made an average of 500 miles west of Pittsburgh, this phantom freight hits the farmer hard. Prior to the general 10 per cent freight reduction there was $1.93 'plus' in every corn planter, $3.61 in a disk harrow, $6.88 in a grain binder and $19.80 in the farm tractor.....The Trade Commission has made a decision of far-reaching importance. If the death verdict stands through the courts, there will be radical changes in the steel industry. Its bases must shift and its methods of marketing and distribution will be junked. Steel must say good-by to a vast tribute it has exacted for a generation. With the passing of this phantom freight charge Pittsburgh may lose its long-threatened domination in steel. It may be that eventually the lower end of Lake Michigan will be the steel area of North America. If so, the region where Illinois and Indiana come up to meet, the lake will become the heart of a very powerful industrial empire. The end of 'Pittsburgh Plus' is Pittsburgh's loss and Chicago's and the mid-West's gain. What this may mean to business, manufacture, to trade and the existing channels of trade only the future can reveal."

Section 3
MARKET QUOTATIONS
(WEEKLY REVIEW)

Farm Products

July 26: Livestock and Meats:- Chicago hog prices ranged from $1.25 to $1.40 higher for the week ending July 25. Medium and good beef steers 65¢ lower to 60¢ higher; butcher cows and heifers 25¢ lower to 40¢ higher; feeder steers 25¢ lower; light and medium weight veal calves 50¢ lower; fat lambs $1 to $1.25 lower; feeding lambs steady; yearlings $1 lower, and fat ewes 25¢ higher.

Grain:- Grain markets continue very firm for the week ending July 25. Unfavorable weather in spring wheat area of Canada and a better foreign demand strengthening factors in wheat market and future prices advanced about 6 cents for week. Movement of new wheat larger. Cash prices generally followed advance in future prices. The prospective short crop of corn caused an active demand in the corn market and prices held steady. Oats market firm with other grains.

Hay:- Market very quiet. Timothy receipts ample with demand only fair. Alfalfa stronger with light receipts and brisker southern demand.

Feed:- Because of the continued light demand the wheat millfeed market is slightly easier. Mill offerings continue very light but offerings by resellers from lake port storage ample to care for the very light demand. Linseed meal slightly stronger, offerings from Mills light, resellers offering meal $2 per ton under mill quotations.

Dairy Products:- Butter markets continued unsettled. The tone has been irregular, firm at times but weak at the close. Sentiment in the market mixed. Heavy production continues.

Cheese markets firm particularly at country shipping points. Current inquiry in excess of immediate supplies. Into storage movement continues. Production holding up well but the peak has been passed. Hot weather defects beginning to appear.

Fruits and Vegetables:- Virginia and Maryland Eastern Shore Irish Cobbler potatoes declined 25¢-50¢ per barrel in leading eastern city markets. Kansas stock 20¢ lower in Chicago sacked per 100 pounds. California cantaloupes irregular. Arizona Salmon Tints steady to firm at $3.-$3.75, Pink Meats in flats of 12 and 15 melons 75¢-$1.15. Watermelons recovering. Georgia Tom Watsons, 22-30 pound average, $50-150 higher in some cities.

Cotton:- Average price of Middling spot cotton in 10 designated spot markets advanced 42 points during the week, closing at 29.80¢ per lb. New York October future contracts advanced 49 points, closing at 27.87¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	July 26,	July 25,	July 26, 1923
20 Industrials	100.36	99.60	91.06
20 R.R. stocks	90.41	90.40	80.00

(Wall St. Jour., July 28.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 24 Section 1 July 29, 1924.

Grain Marketing Plan

A Chicago dispatch to the press of July 29 says: "The recently organized Grain Marketing Company began business to-day, having acquired by contract the properties of Armour Grain Company, Rosenbaum Grain Corporation, Rosenbaum Brothers, J.C.Shaffer & Co., and the David Noland-Merrill Grain Company....While the properties of the above companies have not been purchased, provision has been made in the contract whereby they may be taken over upon a basis to be determined by appraisement. No credence can be given previous statements of values involved in the merger because no valuation has been fixed, the announcement said."

President Coolidge was acquainted with plans of the new Grain Marketing Company of Chicago at a conference yesterday with Gray Silver of the American Farm Bureau Federation, the president of the new organization. Mr. Silver expects to discuss the subject later with Secretary Wallace. (Press, July 29.)

Northwest's Dollar

A Minneapolis dispatch to the press of July 29 says: "The Northwest's dollar is now worth ninety-two cents, a sharp rise in value in the last few months, according to E. G. Quamme, president of the St. Paul Federal Land Bank. Mr. Quamme, who is regarded as the best posted man in the Northwest on farm conditions says that Minnesota and adjoining States are on the verge of a prosperous period. 'Probably not in a lifetime has such a wonderfully favorable situation prevailed,' said Mr. Quamme. 'Here we have a combination of large crop yield and excellent market prices. Our situation thus is far better than in 1915 when we had such a large crop but lower prices. The Northwest's dollar will be back to full value shortly. With large crops our debts will be paid to a remarkably large extent and our credit will be brought back to a normal basis.'"

German Sugar Crop

A New York dispatch to the press of July 29 says: "Arrangements have been completed by a syndicate of New York banks, headed by the Equitable Trust Company, to extend a credit of $4,000,000 to the sugar industry of Germany, it was learned to-day. Financial aid will be available for a period of six months, during which the season's crops can be moved, and will take the form of discounting bills at a rate understood to be about 7½ per cent....The credit, restricted to the use of a single industry, is the first of its kind to be granted by American bankers to Germany....."

Canada's Grain Crop Investigation

An Ottawa dispatch to the press of July 27 says: "Contending that the wheat market has been rigged or the Dominion Government's $1,000,000 statistical system of securing crop formation is a dud, Government officials July 26 strenuously denying officially that black rust was playing havoc with Canada's western grain crop, opened an investigation. A special inquiry of the situation will be made immediately, and if the reports received by brokers are found to be correct, the Government's statistical bureau will likely be scrapped. But if Canadians have been working in cooperation with U.S. brokers, charges will be made against those found involved on this side of the border...."

Section 2

Cold Storage Rates

An editorial in Chicago Dairy Produce for July 22 says: "The cold storage houses, and we speak of Chicago houses, have not been among those enjoying abundant prosperity, though from present indications this year is making a much better showing with most of the houses than did last year because the rates charged are better.....Few of the cold storage houses were able to show a profit on their 1923 business, the rates not being adequate to bring a sufficient return on the service rendered. They found it was a question of getting better rates or going out of business, and the fact that several houses have closed down, or are rapidly clearing their business preparatory to closing, is proof that the business could not continue under the rates as charged last year. To meet the situation as they found it under the 1923 basis of charges, an advance of rates was the only course open.....The trade, to a large extent, has realized the situation in which the cold storage houses have been placed and has willingly accepted the advances of rates, which while not lighter on some items, represent an increase of about 20 per cent over the old rates.....Certainly the cold storage houses, rendering an absolutely necessary service for the trade, are entitled to rates that will bring them adequate returns on their investment."

Grain Marketing Company

An editorial on the new grain merger in The Washington Post for July 26 says:"....The weight of sound judgment is, however, we believe, to the effect that the farmers have undertaken a legitimate and probably profitable enterprise, in which it is just as logical for them to engage as it is for any great manufacturing concerns to establish selling agencies for their wares. The extent to which it is wise to go at the beginning, in acquiring a multitude of plants throughout the country, is to be determined on purely business grounds. If the farmers' organization can manage one elevator successfully, it can presumably manage a dozen or a hundred. There is, of course, a homely saying about the wisdom of not 'biting off more than you can chew.' But of their ability to manage their acquisitions, the farmers themselves should be the judge. What is to be hoped, and indeed to be urged in the strongest possible manner, is that the farmers will acquire elevators and all the machinery of grain marketing for purposes of straight salesmanship, and not for speculation. One of their great complaints against the elevator and wheat pit managers has been that of their practice of speculation, in which the manggers made fortunes while the farmers received little or no benefit whatever. It would be a lamentable error for the farmers' organization to plan a continuance of speculative methods....."

Implement Trade

An editorial in Farm Implement News for July 17 says: "With grain harvest already started in central Illinois and other States of equal range, it is apparent that so far as harvesting machine sales are concerned, it is another case of hope deferred. Anticipated trade has not materialized. Farmers are repairing as never before, and the sight of a new binder is a comparative rarity.

One bad feature of the situation from the manufacturers' standpoint is that there will be a larger carryover of harvesting machines than the manufacturers care to have, and these machines include materials and labor about as high in price as any since war days. With material markets weak and labor in comparatively good supply, it is logical to assume that replacement costs of these tools will be lower than their production costs, so that losses will be sustained that manufacturers are in poor position to absorb. The best feature of the situation is that conditions point to lower costs of implement production next year provided the present trend continues, while advancing grain quotations will have their effect on farmer morale. It is unlikely that next year will be a record-breaker, but it ought to be far better for both manufacturers and dealers than this season. And it is not beyond probabilities for a really good fall trade to materialize on some lines."

Meat Consumption and Business

St. Louis Daily Live Stock Reporter for July 16 says: "Meat consumption, according to Paul Aldrich, editor of the National Provisioner, is one of the best and quickest indexes to business prosperity or depression. Steel is generally conceded to be an index of business as a whole, and doubtless it is. But no commodity will show industrial fluctuations so quickly as meat. This is true, according to Aldrich, because it is a reflection of the buying power of all the people. When industry is in full swing, people generally, and labor in particular, are remuneratively employed, and the consumption of meat is at a high level. But just as quickly as industry slacks and unemployment begins to creep in, the average citizen either cuts down on his meat portion or reduces its quality. ...While Mr. Aldrich is right in that the volume of meat consumption reflects to a marked degree the industrial prosperity it is also a fact that the relative cheapness of beef and pork the past two years has had a great deal to do with the increased consumption. Due to generous production, especially of pork, the consuming public has been able to buy these greatest of foods at or near the pre-war level. It is no wonder that consumption has increased. Unless the situation changes materially, signs now on the horizon would indicate that the consumers will ere long have to pay more money for their beef and pork. Therefore the occurrence of a falling off in consumption due to industrial depression is not as threatening to meat producing interests as it would have been the past year or two."

Milling

An editorial in Modern Miller for July 12 says: "Referring to the British millers' meeting at Folkstone, Milling, of Liverpool, says: 'There was, of course, and perhaps inevitably, a good deal of chaffing on the question of the export of Australian flour. It was explained that Australian millers are looking to the East rather than to the Homeland as the market to which they might be able to send larger supplies of their flour. It was also stated by Mr. Spencer Brunton that a meeting is to be held to formulate arrangements for the proper handling of the supplies which come to this country (England), with the view to stopping underselling, an announcement that will be read with special interest by country millers. It appears that, bad as things are in this country, in the matter of excess milling capacity they are far worse in Australia, and, what is

more, the Commonwealth millers find the same difficulty in arriving at a solution of their troubles. It has come to the point when there must be some mutual agreement among the millers or the shutting down of some of the mills. But why is it, to repeat Sir William Edgar Nicholls' question last week, that American millers, with similar troubles can still secure an average profit of 1s8½d a sack, when British and Australian millers have the utmost difficulty in making both ends meet? It is worth an inquiry. Will the result be to discover an error in the American report? It is strained comfort to learn from the above that British and Australian millers are suffering from over capacity, and to learn from a distinguished source that American millers can secure an average profit of 35c a sack. Will the result be to discover an error in the American report? The American version of the report is that it is too good to be true. The report was garbled in transmission. It was intended to read, what millers should get, rather than what they do get. But it is strange that British millers should have blamed American millers for competition and profitless trade. With the minimum of American competition they now find that their troubles have not been solved at all."

"Pittsburgh Plus" An editorial in The New York Times for July 24 says: "The decision of the Federal Trade Commission ordering the abandonment of the 'Pittsburgh Plus' system of calculating the prices of steel products caused no sensation in the steel trade and no flurry on the stock market. One reason is that the action of the Federal Trade Commission seems belated and out of relation to the facts as they exist to-day. For some weeks during the slowing down of the steel business, prices have crumbled away here and there, and no great effort has been made to maintain them....Another reason for taking calmly the decision of the Federal Trade Commission is that, if it threatens anything like confiscation or a very serious disturbance to an established business, its validity can be, as it doubtless would be, challenged in the courts. There is no denying that the sudden break-up of any old trade custom, to which both manufacturers and consumers have become habituated, involves certain perils. These might become serious in the present instance if, for example, the abolition of the Pittsburgh Plus system should place independent steel companies in an entirely new position, perhaps to their disadvantage, or would force destructive competition, with the ruin or closing up of some plants, or would involve radical changes geographically in the production and distribution of steel. But no upset of a sweeping kind in the business appears to be intended by the Federal Trade Commission or to be expected by those engaged in it."

Pork Export Sioux City Live Stock Record for July 19 says: "Packers have been taking unprecedented supplies of hogs for this season of the year and prices have stiffened up considerably, notwithstanding the present and prospective excessive receipts at most of the pig markets, says an exchange. This action has been something of a surprise to the trade, but the explanation seems to be that there is a better prospect of a profitable and extensive export outlet for pork products. So far this year the South, where cotton is king and

a big acreage has been planted, has been an enormous buyer of pork. This southern demand is certain to hold up and increase as long as cotton commands 25 and 30 cents a pound. The domestic demand for fresh pork is the largest this country has ever known and despite talk of curtailed industrial activity the consumption of fresh pork continues on an enormous scale. Up to date the export demand has not developed, but provision dealers are convinced that it must come soon. Europe has held off as long as possible but must come to the United States for lard and meats. There is no other source of supply. This is the only country producing a surplus of pork products sufficient to meet the demands of European countries and enough feelers have been thrown out in recent weeks to convince American packers that buying will soon commence on a big scale."

Production and Prices

The Wall Street Journal for July 22 says: "With timely rains, the Northwest can easily produce the best crops it has had since the great war began. Not only does production promise to be large, but the price level will also be far above that of a year ago. Here is reason why the complaints of the Northwest should soon turn to one grand doxology. Comparing the Minneapolis prices of wheat of the past week with those of a year ago some startling changes in the financial condition of the Northwest can be seen. A year ago September wheat sold at around $1.04½. Last week it closed at $1.29 5/8. If we take the official estimate of the crop of the five principal producers on July 1 a gain of over $40,000,000 will be seen. But much more can be said of the wheat situation. In some of these States, including North Dakota, which suffered so severely last year, some of the best growth to be found in 10 years is now to be seen. The crop has improved since the first of July and with good weather the outturn should be substantially more than the official estimate. Scarcely any black rust has been found and weather conditions are not favorable to it. In the four principal States of the Northwest durum wheat makes up over 28 per cent of the crop. The drought in the Mediterranean Basin this year is sure to cause a strong market for that wheat. Durum for September delivery now sells at around $1.25, where a year ago it brought 93 cents a bushel. The situation is the same with other grains in the Northwest....Rye is a crop that should command attention. A year ago there was too much in the world. This year the farmers of the Northwest who have a good rye crop can consider themselves fortunate. North Dakota is one of the largest and in some years the largest producer of rye, running about even with Minnesota. These are facts that may not be pleasing in the cave of Adullam, where the Third Party meets, but the rest of the country will rejoice with the Northwest on its new era of prosperity."

Wheat Prices

New York Commercial for July 23 says: "The people who love to spread political discord have never lost an opportunity to charge 'Big Business' with causing all their troubles. Right now the charge can be made with truth. Nature--the biggest business of all--has stepped in to make the wheat growers happy by so arranging things that a good crop in the Middle West promises to bring $1.50 a bushel. That the saviors of a downtrodden proletariat should have this thing come upon them is too sad for words. Heretofore bad business in the wheat growing regions has been nuts and raisins to

the demagogue eager and anxious to get into place and have power and dominion over his fellows. Some few weeks ago it seemed as if the political pests which batten on the troubles which nature sometimes visits on the farmers were going to have one of the best years ever. But alas, not so....The words to be uttered in the presidential campaign in this country this year promise to make what Horace Greeley called 'mighty interesting reading.' They will possess an element of humor that can not fail to tickle the risibilities of a great many discerning persons."

Section 3
MARKET QUOTATIONS.

Farm Products

July 28: Chicago hog prices closed at $10.50 for the top and $8.50 to $10 for the bulk. Medium and good beef steers $7.50 to $11.25; butcher cows and heifers $3.75 to $10; feeder steers $4.25 to $8.35; light and medium weight veal calves $8 to $10.25; fat lambs $11.50 to $14; feeding lambs steady at $10.50 to $12.25; yearlings $8.75 to $11.75 and fat ewes $3.75 to $7.25.

Eastern Shore Virginia and Maryland Irish Cobbler potatoes steady to firm at $1.75-2.25 per barrel in leading markets, top of $2.60 in Pittsburgh; $2 f.o.b. Onley, Virginia. Georgia peaches, Elbertas, slightly weaker, closing at $1.75-1.25 f.o.b. Cantaloupes steady to firm in eastern cities with a weaker tendency in the Middle West. California, Turlock Section, Salmon Tints, standards 45's $3.50-3.75 in eastern markets $3-3.25 in Chicago. North and South Carolina Green Meats $1.25-1.75. Watermelons show a stronger tendency. Auction sales of Georgia and South Carolina Tom Watsons, 24-30 pound average, brought $185-365 bulk per car in New York.

Grain prices quoted July 28: No.1 dark northern spring Minneapolis $1.39-1.58. No.2 hard winter Chicago $1.34-1.38 1/4; Kansas City $1.22-1.34; St. Louis $1.32-1.32 1/2. No.2 red winter Chicago $1.35 1/8. Kansas City $1.37-1.44; St. Louis $1.41-1.45. No.2 yellow corn Chicago $1.10 1/2-1.11 1/4; Minneapolis $1.09-1.09 1/2. No.3 yellow corn St. Louis $1.09-1.10; Kansas City $1.06; Minneapolis $1.07-1.08. No.3 white corn St. Louis $1.09-1.09 1/2; Kansas City $1.05; No.3 white oats Chicago 52-54 cents; Minneapolis 53 3/8-53 7/8 cents.

Closing price 92 score butter: New York 37 1/2¢; Philadelphia 38 1/2¢; Chicago 36¢; Boston 38¢. Closing prices at Wisconsin primary cheese markets July 26: Twins 17 3/4¢; Cheddars 18¢; Single Daisies 18 1/2¢; Double Daisies 18¢; Longhorns 18 1/2¢; Square Prints 19¢.

Average price of Middling spot cotton declined 8 points, closing at 30.72¢ per lb. New York October futures declined 1 point, closing at 29.34¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	July 28,	July 26,	July 28, 1923.
20 Industrials	101.09	100.36	87.33
20 R.R. stocks	90.36	90.41	77.40

(Wall St. Jour., July 29.)

DAILY DIGEST

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Vol. XIV, no. 25 Section 1 July 30, 1924.

LaFollette Assails Sugar Report Delay

The New York Times to-day says: "Senator La Follette fired a broadside at the so-called 'sugar trust' July 29, asserting that 'sugar interests' are at work to delay the presentation of the report of the Tariff Commission to President Coolidge in the matter of proposed reductions in the duties on sugar. He declares that if the report is held up until the end of the sugar year, in September, they will be able to argue that the statistics are out of date and should not be used by the President in deciding the question whether the present rates on sugar should be reduced or continued."

Packing House Business

A Chicago dispatch to the press to-day states that packing house shares, which up to July 28 had attracted little attention in the current bull market, advanced sharply July 29 on the Chicago Stock Exchange, in consequence of the further rise in hogs, now at the highest prices in nearly two years. Earlier in the year hog prices were declining, but now the pork inventories of the packers have been enhancing in value. In consequence of the rise in corn and the added cost of hogs, a firm price situation is anticipated for pork products. Swift & Co., which has sold as low as 103 7/8, was up to 108 July 29, and Swift International, which was in especial active demand, sold above 24 as compared with 21 1/2. Armour and Cudahy issues also were higher.

The Interallied Conference

An Associated Press dispatch to-day from London says: "For the first time since the interallied conference assembled, the French delegates July 29 indicated a willingness to surrender, under certain conditions, their right to separate action against Germany in case of a reparation default under the Dawes plan. If the allies can not unanimously agree whether a flagrant default has occurred, France is willing to let an arbitration board, on which there will be experts of the original Dawes commission, decide the question.....Since the July 28 proceedings, which were featured by the timely intervention of Colonel Logan, the American observer, which the delegates characterized as having saved the conference from possible breakdown, the French delegation has been working to coordinate Colonel Logan's suggestions with ideas of their own in an effort to produce a formula which will solve the problem of how default under the Dawes plan is to be declared and what penalties the allies intend to inflict therefor and at the same time satisfy the international bankers who will be asked to recommend a 40,000,000 pound loan to investors in order to launch the Dawes project."

Section 2

"Farmer Dollar" An editorial in The Philadelphia Ledger for July 28 says: "For some years the 'farmer dollar' has not been as the dollar of other men. The prices of all that he had to sell sank back to pre-war levels, but the cost of all that he was forced to buy hung at the new post-war levels. It was said that his dollar was worth only little more than half of what it was in pre-war days. Within the last six months his dollar has grown healthier. Advancing grain and livestock prices are pushing it up to a value almost equal to that of other men's dollars. A raise of a few more price notches and his dollar will be worth 100 cents of any man's money. A 100-cent farm dollar is bound to have certain far-reaching effects on the opening political campaign."

Freight Rates The Wall Street Journal for July 28 says: "Writing in the Cleveland Press as 'A Farmer,' O. M. Kile traverses the contention in these columns that the farmer would be the last to get any benefit from a reduction of freight rates, always provided the rates were not so high as to check consumption. He says: 'The mere fact that the farm price of wheat goes gradually lower and lower as we get farther and farther away from seaboard--except in those cases where there is local scarcity--is first-class evidence that the freight rate is an important factor in determining the price to the producer.' Mr. Kile writes temperately and intelligently....But his freight rate argument proves too much. The farmer in Illinois, within easy reach of a first-class market, does not want a reduction in freight rates which puts him on the same level with the farmer a thousand miles west. In the contingency of a general reduction in freight rates which would put the railroads concerned into bankruptcy, distance would continue to make the rates. The reduction in cost of production of wheat delivered in a world market, counting, as we must, transportation as one of the costs of production, would be spread over the world price of wheat. Nothing could believe the distant farmer of this disadvantage unless we could, as the poet sings, 'annihilate both time and space.' Time consumed in transport, and distance covered, would exercise their inevitable authority, because any reduction in freight rates would be governed by those two factors even as the rates are now. It is not a weakness of the farmer, but of human nature itself, to figure on what wonders we could achieve if only we could have something for nothing.....We can not regulate the world's affairs by disregarding the world's physical facts, and the farmer least of all can afford to ignore them...."

Grain Marketing Company In an editorial on the new grain merger, Grit for July 27 says:"....Thus business men in a business way undertake to do what some men tried to have the Government do. They use their own capital instead of the people's money, and place in control men familiar with the grain trade instead of Government employees. They follow a plan which on a smaller scale has already proved successful, a plan that a former Secretary of Agriculture urged farmers to pursue on a larger scale. Their organization should be an agency through which the Government can work, if Government assistance should be needed. Of course, the failure of Congress to pass certain bills compelled action of some kind on the part of the grain interests,

But the rise in the price of wheat and other cereals supplied the opportunity for action. Indeed, it may be said that the improvement in the grain market takes all agricultural interests out of politics."

Grain Marketing Company 2

A Des Moines dispatch to the press of July 29 states that: "The National Farmers Grain Dealers' Association, in which 5,000 grain elevators in the Middle West hold memberships, July 28 refused to indorse the recently organized Grain Marketing Company of Chicago. The association declared it would continue to withhold its indorsement until the grain mergers organization plans were modified to provide that all stock must be held by farmers' elevator companies and not by individuals. Simultaneously the organization indorsed the plans and purposes of the National Farmers Elevator Commission Company, now being promoted by the farmers elevator companies of Illinois and Iowa.

Hogs

The National Provisioner for July 19 says: "The Government's estimate of a reduction of eight million in the spring pig crop is indeed a relief. If this is followed by still further restriction in fall breeding, a more satisfactory run of hogs for the year beginning this fall can be expected. There will then be some let up from the enormous volume that has been worked into consumption. Cattle raisers will have more prospect for satisfactory returns on good beef, and all connected with the industry can look for a better year. The situation has been out of the control of the packing industry. It has been beyond the control of the producers themselves. While statisticians figuring returns on hogs on a hog-corn ratio have shown that hogs were a losing crop, the individual farmer well knew they were not. He was not waxing rich on the returns from them, but they were making him more and quicker money than any other farm crop. So he raised hogs. The result in the aggregate was enormous. It is to be hoped that the percentage of farmers who left it to the other fellow to cut down on hog production is not too large, and that the Government's estimates will be borne out in the fall and winter runs. With the promising outlook for industrial prosperity in this country, a reasonable export demand and a moderate-sized hog crop, it would seem that a turn in the road is near, and that a level stretch of prosperity is ahead."

Internal Protective Duty

An editorial in Northwest Farmstead for July 15 says: "'An internal protective duty' is proposed by J. A. Cashel, member of the Minnesota State Senate from Nobles County, as a means for protecting the agricultural industry. He has prepared a bill reading in part as follows: 'There shall be levied and collected from the purchasers in all terminal markets an internal protective duty upon farm products, to-wit: wheat, 40% of the price in Liverpool; cotton, 15% of the price in Manchester; hogs, 50% of the price in Hamburg; cattle, 30% of the price in London. Such duty shall be paid to and collected by the sellers in market, in cash or its equivalent.' The bill further provides that when any such product is exported to a foreign market, there shall be credited to the seller an amount equal to the duty paid the producer, which sum shall be paid to the

exporter out of a fund provided by law upon the business handled in the terminal markets. It is provided that an import tariff duty shall be maintained equal to the internal duty proposed. This plan of making an import tariff effective is certainly an original one, and Mr. Cashel believes that it would be constitutional."

Motor Transportation and Roads

An editorial in The New York Times for July 26 on "Short Hauls by Trucks" says: "A new witness to the value of trucks instead of railroads for short hauls is found in the formation of a corporation to specialize in the construction of six-wheel trucks especially designed to reduce the road impact and to permit the carrying of large loads....The use of trucks is intimately bound up with road building. If trucking is really to rival railroads for short hauls, the States and the Nation will have to build more and wider roads with deeper foundations. The amount of road space taken up by big trucks is generally so great that they delay passenger traffic. This is largely due to the fact that most of the highways are not wide enough., The damage done to road surfaces by the heavy pounding of the loads has made most truck-infested roads so rough that passenger traffic is uncomfortable. The principal reason for this is that the roads were not built with a view to carrying heavy loads. Numerous State highway commissions have been conducting experiments to test the damage done by trucks and to determine the type of roadbed best fitted to support them. This work will have to be developed so that when existing highways over which there is much trucking are enlarged they can be constructed of material fit to withstand the impact of heavy vehicles. It goes without saying that any improvements in truck construction which will lessen the wear and tear will be welcomed. But it is impossible to escape the conclusion that as trucking increases the need for wider and sturdier roads will increase."

"Pittsburgh Plus"

In an long editorial on "Pittsburgh Plus," The Journal of Commerce for July 24 says:".... What is there then in the present arrangement tending to destroy competitors or to eliminate competition which will cease to exist if the corporation is forced to change its method of calculating selling prices? If the Pittsburgh Plus system is abandoned (and even prior to the decision it was not consistently adhered to) there is surely no law that makes it incumbent upon the United States Steel Corporation to charge a uniform price at its various mills giving the customer either the full benefit of lower freight rates or else making him absorb the extra charges growing out of higher freight rates. The Federal Trade Commission can not force the United States Steel Corporation to charge uniform prices for the same products at different mills having differing costs of production. Evidently that would be exceeding the limits of even its ill-defined powers. Since it can not do so, is there anything to prevent the United States Steel Corporation from accomplishing the ends it now achieves by giving up Pittsburgh as a basing point but varying its charges locally, so as to obtain at least a measure of price uniformity over wide areas, even if customers are forced to absorb varying freight charges?"

Synthetic Lumber The New York Times of July 28 says: "We will all live in thermos bottles some day, according to B. G. Dahlberg, of Chicago, who says the day is coming when synthetic lumber will take the place of natural lumber for building houses, and that its insulating quality is such that homes built of it will be veritable thermos bottles. Synthetic lumber, as described by Mr. Dahlberg in a recent address at Chicago, is made from the waste fibre of sugar cane, and while its manufacture is still in its infancy, with the rapid depletion of our forests it is bound to become one of the world's greatest industries."

Rubber Production The Journal of Commerce for July 21 says: "Rubber production in the Dutch East Indies apparently is increasing despite the efforts of the larger growers to restrict output. Plantations financed by European money have probably fallen in line with the general restriction policy, but those plans have been greatly upset by the native planter, who can not be persuaded to curtail his efforts to grow rubber. Thus another effort to limit production in order to prevent any further recession in the world price of crude rubber draws to an end. The British growers were probably the most powerful; and several months ago their plan to stabilize rubber prices received world-wide attention. Manufacturers in the United States have not always been in sympathy with those efforts, but for the most part the advantages of a stable price have been recognized here. But maintaining a stable price and restricting output are not always the same. We have witnessed in the not distant past a similar policy in our own tobacco belt. Tobacco growers of Virginia and North Carolina, feeling that they had not received an adequate return on their crops, before the war banded together and held their tobacco in warehouses until an agreed price was offered therefor. Inasmuch as the greater proportion of that tobacco was sold for shipment abroad it afforded a good analogy to the rubber situation of to-day. Yet our tobacco producers were not accused of restricting output. They were merely persuaded by cooperative effort to hold out for what they thought a fair price. In neither instance can the economics of the effort be defended. In both instances economic law has operated to defeat the purposes of the combination."

Wheat in Kansas A Topeka dispatch to the press of July 25 says: "Wheat has temporarily replaced oil as the source of wealth in Kansas. Poor tenant farmers, who have struggled for years, many of them in the southwestern part of the State who were compelled to appeal to the public for seed wheat loans last fall to seed this year's crop, today find themselves wealthy. Many others who had purchased farms with small payments and who expected to have mortgages pending for years are in a position to pay off those mortgages, buy more land, build new houses and barns, or purchase motor cars and other things they have denied themselves for years. The present unprecedented wheat crop in Kansas has done this, and with rising prices greater wealth is expected."

Section 3
MARKET QUOTATIONS

Farm Products

July 29: Chicago livestock prices: Hogs, top, $11.15; bulk $9.40 to $11; medium and good beef steers $7.50 to $11.25; butcher cows and heifers $3.60 to $10; feeder steers $4.50 to $8.35; light and medium weight veal calves $8 to $10.25; fat lambs $11.50 to $14; feeding lambs $10.50 to $12.25; yearlings $8.75 to $11.75; fat ewes $5.25 to $9.50.

Eastern Shore of Virginia and Maryland Irish Cobbler potatoes ranged $2 to $2.50 per bbl. in leading eastern markets, top of $2.75 in Boston and Chicago; $2 f.o.b. Onley, Va. Turlock Section of California cantaloupes, Salmon Tints, standards 45's, $3.25 to $3.75 in city markets, top of $4 in New York and Boston. Arkansas Salmon Tints, sold at $2.75 to $3.25 in consuming centers. Georgia and South Carolina Tom Watson watermelons, 24-30 lb. average, ranged $200 to $430 bulk per car in city wholesale markets, top of $590, auction sales of 30 lb. stock in New York. Georgia Elberta peaches brought $1.75 to $2.25 per six basket carrier and bushel basket in most markets; $1.15 to $1.35 f.o.b.

Grain prices quoted July 29: No.1 dark northern spring Minneapolis $1.37 to $1.56. No.2 red winter wheat St. Louis $1.38 to $1.42; Kansas City $1.36 to $1.37. No.3 red winter Chicago $1.32 1/2. No.2 hard winter Chicago $1.34 1/4 to $1.36 1/2; St. Louis $1.30 to $1.31 1/2; Kansas City $1.17. No.2 yellow corn Chicago $1.11 1/4 to $1.11 3/4; Minneapolis $1.09 to $1.09 1/4. No.3 yellow corn St. Louis $1.09 1/2; Kansas City $1.06. No.3 white corn St. Louis $1.09 to $1.09 1/2; Kansas City $1.05. No.3 white oats Chicago 52 to 53 1/2; Minneapolis 52 3/8 to 53 3/8¢; St. Louis 55 1/2¢; Kansas City 53¢.

Average price of Middling spot cotton in 10 designated spot markets declined 35 points during the day, closing at 30.37¢ per lb; New York October future contracts declined 34 points, closing at 29.00¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	July 29,	July 28,	July 28, 1923.
20 Industrials	100.87	101.09	87.33
20 R.R. stocks	90.04	90.36	77.40

(Wall St. Jour., July 30.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 26 Section 1 July 31, 1924.

Grain Firms to Merge Friday

A Chicago dispatch to the press to-day says: "The Armour Grain Company, the Rosenbaum Grain Corporation and Rosenbaum Brothers, three of the largest grain and elevator houses in the world, will cease to exist as such tonight and Friday will become the Grain Marketing Company, the farmers' grain company that is to do business for farmers, associations and all who have any grain to handle...George E. Marcy and E. F. Rosenbaum have expressed themselves as believing that the combination of the elevator interests is for the best interests of the grain trade. They say it will help business remove competition and reduce handling charges to the farmers around $3,000,000 annually."

Bread Cost and Wheat Price

The Washington Post to-day says: "Price increases in the forthcoming wheat crop recorded in recent operations in western grain markets will have no immediate effect on the price of bread in Washington, it was learned yesterday. Even should the price of flour be raised, there is not likely to be an increase in the cost of bread, since the larger bakeries, at least, arrange their scale of prices on the basis of a year's cost of raw materials. Besides, it was pointed out, flour is a comparatively small item in bread cost, labor being the big item."

A Vienna dispatch to the press to-day states that announcement is made of an 8 per cent rise in the price of rye bread, which is the people's staple diet in Austria, owing to the rise of wheat on the overseas market. This has caused consternation among the poor of Vienna, who look upon dearer bread as a certain forerunner of a large increase in the cost of living.

British Subsidy for Beet Sugar Producers

A London dispatch to the press to-day states that the Chancellor of the Exchequer, Philip Snowden, announced yesterday in the House of Commons that the Government intended to introduce legislation to promote the home production of beet sugar by giving a subsidy of 19 shillings 6 pence per hundredweight. It is believed that it will require a decade to put the industry on its feet, and the subsidy will gradually be reduced to 17 shillings after four years, to 6 shillings 6 pence after a further four years and will be abolished after 10 years.

Interallied Conference

A London dispatch to the press to-day says: "A proposal which the French delegates hope will satisfy the bankers that they may safely underwrite the loan to Germany necessary to the financing of the Dawes plan, and which they declare goes as far as it is possible for them to go, was communicated to the Premiers at their meeting yesterday and will be brought formally before the first committee of the International Allied Conference to-day."

Section 2

Business and Farm Conditions

Richard Spillane, writing in Commerce and Finance for July 30, says: ".....Here with the elections more than three months distant what do we find? Business confidence almost restored, Wall Street cheerful, stocks up on an average of 10 points in the last few months, copper prices advancing, automobile makers increasing their schedules, the oil people nearly out of the woods, the rubber people on the way to making up some of their losses, the railroads doing very well, farmers happy, general merchandizing excellent, and nobody except the politicians worrying about the elections. What is the explanation? One feature, perhaps the principal, is the amazing change in relation to the farm. From a surplus that depressed prices to a point that left little or no profit, disaster to grain crops of Canada and in some portions of the United States has transformed the situation. From burdensome oversupply there has been a reduction in the new crops that spells scarcity. With it grain prices have advanced sensationally. Wheat now is about $1.30 a bushel, Chicago, corn around $1.10, oats about 50c, rye in the neighborhood of 85c, lard about 13c, and so on. Cotton sells around 28 cents a pound. Tens of thousands of men in the business have seen it sell below 6 cents. The price of hogs and hog products, of wool, of everything of the farm has been soaring. Predictions of $1.75 wheat are made and of 35 cent cotton unless the crop is greatly benefited. The copper industry has definitely turned the corner. Forecasts of good days for steel are many. The automobile people are increasing their forces. Rubber, after a long slump, is stiffening in price. A warning will come from Washington soon of a world shortage of rubber within five years. The oil business is working back to a sound and prosperous basis. General trade is improving steadily. Unquestionably the pronounced reduction in the wheat yield which, by the way, is due largely to the disaster to the Canadian crop, will vastly increase the monetary return to the American farmer. Unquestionably the reduction in the corn yield will swell his purse. Unquestionably he will get more for his hogs and many of his other products. Unquestionably his buying power will be increased. Unquestionably the cotton planter, whatever the size of the crop, will get a very handsome profit. Unquestionably the sheep raiser will get a very fine price for his wool. Along with the rise in the price of farm products there inevitably will be an increase in the cost of living for all the people."

Butter Imports

An editorial in The Pacific Dairy Review for July 17 says: "The high range of prices at which butter has been stored during the present season, especially in the East, has resulted in considerably unfavorable comment, particularly among those outside of the trade. Viewed in the light of heavy imports of butter during the past few years it seemed difficult to see that if our markets are to go to figures that will turn a profit on storage holdings this fall and winter that it would be equivalent to an invitation for a heavy import movement. Whether the storage operators were wise to developments we do not presume to know, but the fact is that the import scare is losing its terror and after all we may not need to put

another layer on the tariff wall to keep foreign butter out of our markets. The foreign producers have about concluded that the United States does not afford them an encouraging outlet for their butter. The New Zealand commission that visited us a few weeks ago soon came to this conclusion when it obtained a near-up view of the magnitude of the American dairy industry. Irregular shipments of antipodean butter may from time to time put in an appearance, but as a reliable and steady outlet for butter New Zealand and Australia producers have decided to seek elsewhere than in the United States. The other big butter exporting part of the world is Denmark.....Reports indicate that Danish butter exporters hope soon to regain their former trade in the European countries and may quit the United States. If this turns out to be the case we may have good prices in the country for butter this fall and winter."

Cotton

An editorial in The Wall Street Journal for July 30 says: "When July cotton went off the board its exit was like that of Samson, who in his death slew more than in his lifetime. The closing of this contract was more than $35 a bale higher than October, the nearest active month. October now becomes the active leader, and it promises to develop a career that will satisfy all who love market thrills. Experts do not agree on the quantity of old cotton that will remain in the United States when the present season closes on Thursday of this week. The revised estimate of the Census Bureau claims there were 2,087,919 bales of lint in the United States on July 31, 1923, when the year for that season closed. H. G. Hester, secretary of the New Orleans Exchange, estimated that on that day there were 1,453,000 bales of lint remaining. Adding the crop of 1923 and the imports to June 30 to these estimates of old cotton we have a total of 12,533,107 by the census estimate or 11,898,088 by that of Hester. These estimates will be the total lint cotton in the United States on June 30,1924. Deducting from them the mill consumption and exports of lint for the same period would leave 1,738,442 bales of lint in the United States on June 30, 1924, by the census estimate, or 1,103,423 if the Hester estimate of carry-over is used. From this supply remaining on June 30,1924, the domestic consumption and exports for July must be met. Whatever is left would be the carry-over to be added to the new crop. In either case the quantity is far smaller than a year ago. Texas now becomes the center of interest. Unless there is a good crop there the cotton market must go to a ration basis....The crop outlook, at the best, in connection with the small carry-over so closely approximates actual needs that any development, good or bad, makes the nearest active month one of unusual interest."

Cotton Market

Theo. H. Price says in Commerce and Finance for July 30: "It is difficult to write anything worth while about such cotton and grain markets as we had last week...In so far as cotton is concerned, the world is practically denuded of it and the business is limited to those who are willing to sell short or go long of a crop that is still unmade....It is possible that in the course of years some new cotton producing territory of importance may be

developed, but it is plain that it will be slow work and meantime the world's population and need of textile material are increasing. ....There is first of all a press cable from Manchester which predicts that artificial silk will soon be made at the cost of cotton ....Then there is the possibility of synthetic cotton. We are reliably informed that it has already been produced in at least one chemical laboratory. Finally there is the hope of cheaper linen encouraged by reports from Germany that a new and inexpensive process for 'retting' and disintegrating flax has been found. If these reports be true the tyrannical rule of King Cotton would be at an end for flax can be grown almost everywhere and linen is greatly preferred to cotton for many purposes. These possibilities are mentioned by way of reassuring the panic-stricken cotton manufacturers of the world. If the outlook were as gloomy as it is pictured by some imaginative cotton bulls it would indeed be desperate, but there are two sides to every picture and it is just as well to look at the bright side of cotton once in a while."

Grain Money

A Kansas City dispatch to the press of July 28 says: "A striking new aspect has been put on the financial situation in the Middle West by the outcome of the harvest, as unexpected to business interests as it was to the farmers.....Complete readjustment of the banker's attitude in the wheat belt has resulted. He has lost no time in seeking liquidation of frozen loans, many of which were secured by mortgages on the growing crop, and some of the rush to market has been the effect of his anxiety. Oklahoma and Kansas are the chief beneficiaries because of their large wheat acreage, and they needed help badly. The harvest has halted the closing of country banks, given the bankers opportunity to strengthen their surplus and reduce their note cases."

Grain Prices

Chicago Herald and Examiner for July 29 says: "Wheat at $2 a bushel; corn from $1.25 to $1.50; oats from 60 to 65 cents. Those prices are likelihoods later on in the crop year, according to opinions expressed in an interview yesterday by James A.Patten, 'wheat king' of the Chicago Board of Trade. 'We are going to have a situation on this crop directly reverse to that of the last,' he said. 'Oversupply will give way to talk of shortage. After this year prices probably will have reached such a high level that farmers will put in every acre to wheat that they possibly can sow and oversupply may again result. But for the next twelve months buyers will have to bid up for what they want.' Efforts to bull grain markets toward general agricultural prosperity have come at just the right time, Mr. Patten asserted. 'With high prices and millions of bushels of good wheat back in the country farmers of the United States are bound to get a big part of the increased valuation in agricultural products,' he continued. 'Europe's requirements are likely to be in excess of last year's, for foreign crops are said to be 100,000,000 bushels below those of 1923. I am long on wheat down in the dollar twenties. The price may not go immediately higher. Farmers can get better prices now than at any time for two years. But Europe will buy all the wheat she can get from this country and this absorption will bring about a strong situation.'"

Milk Marketing

An editorial in The Prairie Farmer for July 19 says: "Milk producers for the Chicago market have two organizations, the Milk Producers' Association and the Mid-West Cooperative Marketing Company. Both have their friends and enemies. Both have an opportunity for service. The association has been of some benefit to its members in the past. Naturally such a collective bargaining organization has its limitations. But that is no reason for condemning it. It has lacked good administration in the past. This has led to disrespect and lack of confidence in directors and officials. Its meetings have been lacking in order and businesslike conduct. We believe a milk board of three or four men with ability and knowledge of the milk market, whose deliberations and decisions with the dealers will be respected can do the most good in getting a fair price for producers. In spite of all the criticism hurled against it, the marketing company is performing a service for its members. It has given them a market. It has been a factor in setting the price of milk by furnishing a specified supply at a specified contract price to many smaller Chicago dealers....Perhaps the greatest opportunity for a successful cooperative milk marketing company on the Chicago market lies in selling a high quality dairy product direct to the consumer in the city. Such an organization must start in a small way. It will grow and develop in power and influence only as it merits such through good management and superior service. A marketing organization to be a permanent success must perform a service that is not now being performed, or else it must displace existing agencies through greater efficiency."

Water Power Development

Referring to the recent report of the engineering subcommittee of the Northeast Superpower Committee, of which Secretary of Commerce Hoover is chairman, the Wall Street Journal for July 29 says: "Those recommendations, in the committee's opinion, will mean, if carried out, the saving of over 50,000,000 tons of coal every year; production of power at less cost; security in power supplies against interruption with its losses through disturbed production and unemployment; larger reserves of power through which other industrial development need not lag, awaiting power construction; electrification of transportation with increase in its efficiency; extension of power uses to the farm, and saving of human effort. The report will be referred to a meeting of the full committee to be held some time next fall....The report points out that economic generation and distribution of power vitally require that it be produced in large plants. Present practice indicates that such plants should be constructed with total capacities of from 200,000 to 500,000 kilowatts, using generators of not less than 20,000 kilowatts each. Because great plants of this character require immense quantities of water for condensation purposes, their location will be controlled by considerations of water supply. A study of available water supply has led the engineers to the conclusion that the location of such plants will accordingly be restricted to the seaboard, Great Lakes, Ohio River and its tributaries and the Susquehanna River. Concerning water power, the engineers declare the large demand affords an immediate market for cheaper water power from larger projects and renders their development both urgent and necessary. At the same time the large use of

steam in the area makes possible the use of the seasonal flow of rivers for relief of steam, and thus enables more complete utilization of the rivers than in any other part of the United States. Interconnection in some cases will convert secondary hydro power into primary power and in other cases will enable daily peak loads to be carried on hydro. The great water powers capable of expansion, according to the report, are: The Niagara River, St. Lawrence River, Delaware River, Susquehanna River, tributaries of the upper Ohio, rivers of the Adirondacks, Potomac River and the rivers of Maine."

Section 3

MARKET QUOTATIONS

Farm Products

July 30: Chicago hog prices closed at $11 for the top and $9 to $10.50 for the bulk. Medium and good beef steers $7.40 to $11.25; butcher cows and heifers $3.60 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $8. to $10.25; fat lambs $11.50 to $14; feeding lambs $10.50 to $12.30; yearlings $8.75 to $11.75, and fat ewes $3.75 to $7.25.

Eastern Shore of Virginia and Maryland Irish Cobbler potatoes generally 25-50¢ higher in eastern markets, closing at $2.25-2.75 per barrel; $2 f.o.b. Onley, Virginia. Georgia Elberta peaches 75¢-$1 higher in New York at $2-2.75 per six basket carrier and bushel basket, steady in Chicago at $1.75-2.00 and irregular elsewhere ranging $1.75-2.25; mostly $1.25-1.50 f.o.b. Macon, Georgia. Cantaloupes generally firm to stronger. Arkansas Salmon Tints standards 45's sold mostly at $3-3.25 in midwestern cities. Watermelon markets generally stronger. Prices higher. Georgia and South Carolina Tom Watsons, 22-30 pound average, $250-400 bulk per car in leading markets.

Closing prices for 92 score butter: New York 38 1/2¢; Philadelphia 39¢; Chicago 36 1/2¢; Boston 38 1/2¢.

Closing prices at Wisconsin primary cheese markets July 29 were: Twins 18 1/4¢; Single Daisies 19¢; Double Daisies 18 3/4¢; Young Americas 19 1/2¢; Longhorns 19¢; Square Prints 19¢.

Grain prices quoted July 30: No.1 dark northern spring Minneapolis $1.37-$1.54 1/2. No.2 hard winter Chicago $1.32 3/4-$1.34 1/2; Kansas City $1.20-1.31; St. Louis $1.28-1.30. No.2 red winter Chicago $1.33-1.33 1/2; Kansas City $1.32-1.34; St. Louis $1.35-1.38. No.2 yellow corn Chicago $1.11 1/2-$1.11 3/4; Minneapolis $1.08 1/4-1.08 3/4. No.3 yellow corn St. Louis $1.09-1.10; Kansas City $1.06-1.06 1/2. No.3 white corn St. Louis $1.08 1/2-1.09 1/2; Kansas City $1.04. No.3 white oats Chicago 52-53 1/2 cents; Minneapolis 51 5/8-52 1/8 cents; St. Louis 55-55 1/4 cents; Kansas City 53 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 84 points, closing at 29.53¢ per lb. New York October future contracts declined 75 points, closing at 28.25¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	July 30,	Jul. 29,	July 30, 1923
20 Industrials	101.16	100.87	88.11
20 R.R. stocks	89.80	90.04	78.13

(Wall St. Jour., July 31.)

DAILY DIGEST

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Vol. XIV, no. 27 Section 1 August 1, 1924

Tariff Board Submits Sugar Report

The Tariff Commission July 31 transmitted to President Coolidge its findings in the investigation of the sugar tariff which it began in March, 1923. There are said to be two reports; the majority of the members finding that the present rate was unjustifiedly high, and a minority of ten members holding that existing duties accurately represent differences in cost of production at home and abroad. It is understood that the majority included transportation as part of the cost of production, while the minority contended that it was not part of production cost and that there was no trade condition justifying a change in the tariff, although they are said to have said that a very slight modification might be made. It now remains for the President to determine what action shall be taken. Under the law, he alone can make changes in the duties within a maximum of 50 per cent up or down. The present sugar rate is 2.20 cents a pound, except on sugar imported from Cuba, which is required to pay only 1.76 cents per pound. The Cuban rate results from a differential allowed that country pursuant to treaty arrangements. These rates compare with 1.68 cents a pound in the Payne-Aldrich law, which carried a rate of 1.35 cents for Cuban sugar, and 1.25 cents in the Underwood law, which gave a flat 1 cent a pound duty in imports from Cuba. (Press, Aug.1.)

New York Milk Prices

The producers' base price for Class 1 milk for city distribution in New York during August will be $2.06 per 100 pounds at the 201-210-mile freight zone, or an increase of 20 cents over the price of $1.86, which has prevailed since May 1. Announcement to this effect was made last night by G. W. Slocum, president of the Dairymen's League Cooperative Association, Inc. Mr. Slocum explained that the Board of Directors was compelled to ask for an increase owing to increase in cost of production. Feed prices are going up. The flow of milk always decreases at this time of the year, he said. (N.Y.Times, Aug.1.)

The Interallied Conference

The Washington Post to-day editorially presents the situation at London as follows: "A promising move forward has been made in the world's greatest puzzle--the reparation problem. Instead of insisting that the reparation commission without outside intervention shall determine the question of Germany's default, France now yields to the extent of proposing that an arbitration board shall be set up, with rather curious powers. It is proposed that the question of Germany's default shall be referred, as usual, to the reparation commission, and that if the commission votes unanimously that a default has occurred, the allied powers shall then consider the sanction to be taken. But if the commission should not vote unanimously, the minority can appeal to the arbitration board, which by a majority vote can refer the question back to the reparation commission, where a majority vote will then be sufficient to declare Germany in default....."

Section 2

Farmers and Taxes An editorial in The Country Gentleman for August 2 says: "There are many ingenious ways of passing the buck in taxation. In California farmers have been given the heavy end of the pole through a system of State-owned public utilities. They have finally awakened to the real facts in the case--namely, that when a big electric company or an electric railway company is taken over by the State it becomes a part of the State government and of course does not pay taxes. The utility is run at cost and those who use it get the benefit. But the costs of government must be paid, there is less property on which to raise revenue, and so the rate on all the rest must go up. Farmers, not being beneficiaries to any extent of the low rates of State utilities, get none of the benefits, but they come in regularly and handsomely in making up the deficits. The more of these utilities the State takes over the better for the propertyless users in the cities and the worse for the farmers. When you come to analyze the thing it is easy to see why the landless man is socialistically inclined, why he is so strong for State ownership. It gives him an advantage--a chance to pass the tax buck to the farmer. The farmers of California, many of whom have voted with the socialists in former elections, are beginning to see the light, and a number of strong farmer organizations have recently protested against an extension of State ownership of utilities."

Condensed Milk in California An editorial in The Pacific Dairy Review for July 17 says: "...The creameries are not the only dairy manufacturing plants that are booming up to capacity. The milk condensing plants are right in line with the creameries in this busy season. They don't talk much about what they are doing but they are up and going. One large plant in the San Joaquin valley is reported to be handling approximately 250,000 pounds of milk daily. When one sees heavy trucks with trailers tacked on scooting over the highways collecting the milk for the condensaries he visualizes the fact that California cuts some figure in the canned milk industry. We have for a long time believed that the milk condensing interests would see their opportunity in California. Nowhere else in the country can milk be produced as economically as it is in the irrigated sections of the State and the range of prices in the butter markets between the East and the West have for at least the past year been such as to warrant condensers to seek their raw material in this State. This they are apparently doing and as the dairy industry grows in California the milk condensing business is sure to grow with it."

Dairy Production An editorial in The Progressive Farmer for July 26 says: "Since the close of the war, nearly all farm products have experienced a period of low or unprofitable prices....Dairy products, while suffering some reduction in prices have held up well until recently....Dairying has made a splendid increase in the South in recent years. Many have added the sale of milk or cream to the farm revenues with satisfaction. We are not yet milking one-fifth the cows we should, but possibly the progress or increase in

dairying has been fast enough in many sections during recent years. But if now, when prices decline, we follow the usual course and quit the business, it will be a great mistake....Anyone who goes through Denmark or Holland or Wisconsin and sees what the dairy cow has done for these sections will be slow to quit dairy production because of a temporary depression in prices."

Farm Organizations An editorial in The Breeder's Gazette for July 24 says: "Professional organizers might well say that agriculture has been an outstanding success in recent years. Farmers are organized as they have never been before. National, regional, State and local societies based on actual or mythical farmer memberships have multiplied until their activities are overlapping, duplicating or neutralizing one another. Agriculture has been organized until it is in part organized against itself. Some of the organizations are fighting one another. Many of them are playing politics, at the expense of farmers. Conservatives are in control of some associations, radicals dominate others, 'progressives' sway a few and practical compromisers are directing the work of several. Ostensibly each organization is strong for some kind of remedy for agricultural ills, and is sure that its remedy is the only effective one. All are theoretically based on cooperation by farmers....We need a 'Who's Who' of farm organizations. It should disclose their pedigrees and aims.....The Gazette is strong for strong, well-managed organizations of farmers. It believes that agriculture is over-organized, and that excessive organization is but little better than no organization."

Freight Rates and Farm Prices The Courier Journal for July 29 says: "Politicians floundering around for something concrete on which to base promises of relief for the farmers all hit upon a reduction of freight rates. The platforms of the Republicans, the Democrats and the La Follettites all contain pledges of lower freight rates. The theory seems to be that if the farmers can get low freight rates they will be prosperous and happy, even if they have no railroads. And they will have no railroads unless the roads are allowed to earn enough to continue as going concerns. Freight rates should be as low as is consistent with the ability of the railroads to make a living income There is a lot of ignorant talk about the Government's 'guarantee' of the railroads' earnings. There is no such guarantee. All that the Government does is to say that the rates should be so fixed as to allow the roads to earn a living income....How much less importan to the farmer are the freight rates he must pay on his crops than the prices he can get for them is vividly illustrated in the recent rises in the prices of wheat and corn. The reduction in grain rates sought of the Interstate Commerce Commission was about 10 per cent and would have amounted to a saving of about $9,000,000 a year on wheat and nearly $6,000,000 on corn. But between June 2 and July 17 the price of cash wheat in Chicago increased 23 cents a bushel, while the price of cash corn increased 38 cents a bushel. On the estimated yield of wheat this would amount to $161,000,000, as compared with the $9,000,000 saved by the requested reduction of freight rates. On the corn crop the increase would amount to $1,140,000,000.

as compared with $6,000,000 or about 200 times as much....The recen advances in the prices of wheat and corn are worth many times as much to the farmer as would have been the total abolition of the freight rates upon these products, the six weeks advance in wheat being 74 per cent greater than the total freight paid on wheat for the entire year of 1923 and the advance in the price of corn being twenty times as much as the entire freight paid on the 1923 crop. These figures are made even more impressive by the further rise in the prices of wheat and corn since July 17."

Grain Marketing Company 1 An editorial in Pennsylvania Farmer for July 26 says: "The newspapers are just now carrying feature stories and editorial criticisms of the gigantic corporation organized by the wheat growers of the country.....Of course the press sees in the plan a great danger to the public as, according to them, it provides a means of forming a monster monopoly by which the public may be squeezed into paying a higher price for its bread. Yet these same papers are mouthpieces and defenders of other lines of big business in which producers or manufacturers control absolutely every move in distribution from the source of a product to the consumer. Not all farmers and farm leaders are in full sympathy with the proposed plan. Many see in it an opportunity for the further exploitation of the wheat-growing industry by speculators. The fact that the 'big five,' the largest wheat dealers on the Chicago Board of Trade, are in the merger and their entire systems to be taken over, excites suspicion in the minds of many. The president of the Indiana Farm Bureau Federation says: 'Instead of tending towards orderly marketing, such a movement would throw the entire wheat product into the hands of speculators, giving them a greater advantage over the farmer's products than has ever been true in the history of the farming industry.'"

2 Referring to the Grain Marketing Company, an editorial in Commercial West for July 26 says: "This offer of Minneapolis and Chicago grain firms has put the matter squarely up to the farmers of the country. If they believe that they can better the present system of marketing, which has been on the competitive plan, by substituting one of cooperation or pooling, they will now have a chance to embark in this vast business on a scale large enough to demonstrate the correctness of their position. Leaders in the grain trade are firm believers that the competitive system has proved itself of great value, serves the best interests of the farmer and nets him the highest possible return for the grain he raises, but they are willing to be shown, if some other plan can be put into operation which will work out better. Managers of the elevator companies insist that the grain firms have been maligned by agitators, market conditions have been misrepresented and distorted, and the farmer has been led to believe that the existing methods are inefficient and that farmers can, through cooperation, perfect a better marketing plan."

Sugar Price

The Journal of Commerce for July 30 says: "The implications of the 'Pittsburgh Plus' decision are beginning to occasion uneasiness in other quarters, and quite a little publicity is being given to the case of the beet sugar industry, which pursues a practice similar to that of the steel industry in its methods of price fixing. Similarly, it is said that certain lumber interests east of Seattle take that city as a base from which to compute their freight charges. Doubtless many similar instances of base price fixing will occur to those familiar with the practices of other industries. A brief examination of the facts, however, in the case of the beet sugar industry shows at once the difficulties of reasoning by analogy and of inferring without more ado that the Trade Commission would condemn all basing point systems because it has declared against the Pittsburgh base for the steel industry...So far as the beet sugar industry is concerned there is no question that the system as applied results in price discrimination as between localities, and, it would seem, without reference to production costs. For example, west of the Mississippi, domestic beet sugar, and for that matter Hawaiian cane sugar, prices are higher than they are east of the river. In eleven Western States beet sugar prices are based on the price of Hawaiian sugar refined in San Francisco. In Detroit the Michigan beet sugar manufacturer will sell at the New York refined price plus the freight rate from New York to Detroit, with allowance for the 10-point preference always accorded cane. It is evident that the question of freight rates is here a dominant factor. Under the protection which they afford the beet sugar manufacturer can, by virtue of the higher prices charged locally, extend the area of his operations and in parts of the United States come into active competition with cane sugar refiners. On the other hand, in 'home' territory, the consumer is undeniably deprived of the advantages that competition ought to bring him, in view of the abundance of local supplies, and just here it might be alleged that the system can only exist in view of the fact that refineries in particular localities tacitly agree not to compete. If they were in active competition in all markets price discriminations would inevitably break down. Although competition within the industry exists in certain sections under certain conditions, it is very natural that the beet sugar refiner should not drop his prices below the point at which he has effectively excluded the competition of the eastern cane sugar producers. The situation is one largely created by the freight rate structure and in a country of the vast extent of the United States price anomalies due to the protection afforded by freight rates is, practically speaking, unavoidable. To tear down one form of discrimination means to create another sort."

Transportation

In an editorial on "Farmers and Railroads," Indiana Farmers Guide for July 26 says: "....For many years there appeared to be a standing grudge between the farmers and the railroads. The resolutions of many farm organizations mentioned something pertaining to a fight with the unjust railroad rates, etc. We are glad to note a change in this attitude of farmers toward the country's most important transportation system. Of course, we know that rates have been and are excessive but farmers are recognizing that the problem is a common one. We are realizing that these high rates which go out largely as wages to the laboring men, mean an increased buying power

for the farm products. The chairman of the resolutions committee of the national council of agriculture formed recently at a meeting of delegates from all the national farm organizations, expressed himself as being very much opposed to any anti-railroad movement, declaring that most of the revenue of the roads is paid out either directly or indirectly as wages which are used to buy farmers' products. This attitude will undoubtedly bring about a better feeling between the railroads and the farmers, resulting in closer cooperation which is necessary for the most economical transportation of farm products from the producer to the consumer."

Section 3
MARKET QUOTATIONS

Farm Products

July 31: Chicago hog prices closed at $10 for the top and $9.10 to $9.50 for the bulk; medium and good beef steers $7.40 to $11.25; butcher cows and heifers $3.50 to $10; feeder steers $4.50 to $8.25 and light and medium weight veal calves steady to 50¢ higher. Fat lambs $11.50 to $14; feeding lambs $10.50 to $12.50; yearlings $8.75 to $11.75 and fat ewes $3.75 to $7.25.

Eastern Shore of Virginia and Maryland Irish Cobbler potatoes 25-50¢ higher in eastern markets, closing at $2.25-2.75 per barrel. Turlock, California, cantaloupes, Salmon Tints advanced 75¢-$1.25 in consuming centers bringing $3.50-$4.50 per standard crate of 45 melons. Georgia Elberta peaches 25¢-50¢ higher in eastern cities at $1.75-2.25 per six basket carrier and bushel basket, weaker in Chicago at $1.50-1.75. Watermelon markets generally stronger. Georgia and South Carolina Tom Watsons, 22-30 pound average, $225-400 bulk per car, top of $455 for 30 pound stock in Chicago. Delaware and Maryland Early varieties of apples $1.25-2.00 per bushel in eastern cities.

Closing prices for butter were: New York 38¢; Chicago 36 1/2¢; Philadelphia 39¢; Boston 38 1/2¢.

Closing prices at Wisconsin primary cheese markets July 30: Flats 18 7/8¢; Twins 18 1/2¢; Single Daisies 18 3/4¢; Double Daisies 18 1/2¢; Young Americas and Longhorns 19¢; Square Prints 18 3/4¢.

Grain prices quoted July 31: No.1 dark northern spring Minneapolis $1.39-1.57 3/4. No.2 hard winter Chicago $1.36-1.37; Kansas City $1.21-1.32; St. Louis $1.31-1.33. No.2 red winter Kansas City $1.33 1/2-1.35; St. Louis $1.38-1.40. No.2 yellow corn Chicago $1.12 1/2-1.13 3/4; Minneapolis $1.07-1.08. No.3 yellow corn St. Louis $1.11; Kansas City $1.07. No.3 White corn St.Louis $1.11; Kansas City $1.05. No.3 white oats Chicago 53-54 3/4 cents; St. Louis 53 1/2 cents. Kansas City 52-53 cents; Minneapolis 51 1/8-52 1/8 cents.

Average price of Middling spot cotton in 9 designated spot markets advanced 45 points, closing at 29.98¢ per lb. New York October future contracts advanced 62 points, closing at 28.87¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	July 31,	July 30,	July 31, 1923
20 Industrials	102.14	101.16	86.91
20 R.R. stocks	90.03	89.80	77.14

(Wall St. Jour., Aug. 1.)

DAILY DIGEST

Vol. XIV, no. 28 Section 1 August 2, 1924

Cotton Carry-Over - A New Orleans dispatch to the press to-day states that the carry-over of American cotton into the new season beginning August 1 was 254,000 bales less than last year, H. G. Hester, secretary of the New Orleans Cotton Exchange, announced. The carry-over was 2,319,000 bales, compared with 2,573,000 the previous year. The world's consumption of American cotton during the year was placed at 11,242,000 bales, as against 12,631,000 last year.

Wheat Price Affects Rome - A dispatch from Rome to the press to-day states that beginning tomorrow, all bakeries in Rome will again bake war bread. It will be called "popular" bread and sold at 1 lira 20 centisimi per kilogram, while the price of the regular bread will be raised to 2 lire per kilogram. The increased price of wheat is responsible. At a meeting to discuss the subject at the city hall it was made known that the season's crops will be very poor. It is foreseen that Italy will have to import 30,000,000 quintals. Roumanian wheat has risen to 138 lire per quintal.

Coffee Trade - A Buenos Aires dispatch to the press to-day says: "Reports that the coffee shipments to Santos from the interior of the State of Sao Paulo, Brazil, had recently exceeded normal, following the evacuation of Sao Paulo by the rebels, appear to have been unfounded, according to the Santo correspondent of La Nacion. He quotes the coffee merchants of Santos as declaring that no shipments have arrived from the interior since the insurrectionary movement started, but that they expect the shipments to begin again within a few days. The exportation of coffee, which was also stopped by the rebellion, was resumed last Monday. Normal arrivals from the interior reach 35,000 bags of 60 kilos each daily, but it is expected that when the situation has become stabilized shipments will be increased to compensate for the days lost. The stock of coffee in Santos to-day aggregated 708,401 sacks, according to a dispatch to La Nacion from Santos. The dispatch added that since July 1, 633,931 sacks have been loaded for shipment there."

The Interallied Conference - A London dispatch to the press to-day states that good progress was made at the Interallied Conference yesterday, and it is now regarded as practically certain that after the plenary conference to-day has examined the reports of the various committees Premier MacDonald, in the name of the British Government as host of the conference, will be in a position to address an invitation to Germany to send delegates to discuss with the London conference the projected application of the Dawes plan. It is probable that the German delegates will arrive in London on Monday.

Section 2

Cotton Market

J. Oscar Williams says in New York Commercial for July 31: "The cotton market has experienced what might be termed a senaational advance since the issuance of the last Government report on the 21st inst. This report, which had been expected by many to equal, if not surpass, the previous report, showed a decline of nearly three points, indicating a yield of 11,934,000 bales. The publication of this report was the signal for a tremendous buying movement which has been encouraged by unfavorable weather prevailing in the Southwest since its publication, and the market has advanced approximately 400 points within a week, and there is no indication that the present level or higher figures will not be maintained, unless the southwestern part of the belt receives in the near future relief in the form of general rains and cooler weather, of which it stands at present in great need. Taking the Government's figures of the estimated yield as a basis, and considering the damage which has ensued in the Southwest since its publication, the chances seem to favor another small or inadequate crop of cotton. If we consider the possibilities of the future from a standpoint of business volume, we might easily compute a crop of twelve and one-half millions as being sufficient, for certainly the outlook for general business and the demand for all kinds of goods has not been so bright for many years."

Farming

Farm and Ranch for August 2 says: "What changes will take place in the farming business during the next two decades? Some assert with positiveness that the small farm is doomed. They argue that cost of production is an important factor in determining profit and that cost of production can only be lowered by employing the most efficient methods. In this argument it is assumed that efficient production requires the latest labor saving machinery and that a large acreage can be operated more economically than the small farm. Those who take this position have in mind farms that specialize on our major crops, such as cotton, corn and grains, but do not take into consideration other crops which must receive intense cultivation and which do not require the use of a large amount of machinery. There is another factor to be considered. A large farm, even though thoroughly equipped with the most modern labor saving machinery, must be properly managed to hold down overhead or else profits will be small, or not visible at all. Large farms can be economically managed, but there have been more failures than successes. In factories and other large business enterprises, men specialize in different branches of production and each group is under the eyes of a foreman. On a large farm of several thousand acres the question of efficient labor becomes a problem well nigh insurmountable. A foreman can not be provided for the scattered groups and men are unable to specialize in one particular job. The manufacturer can forecast demand and set the price while the farmer can not regulate production after planting or reduce his force of laborers if times get bad. The large farm will undoubtedly find its place in every agricultural section, but the small well managed farm will continue to provide a good living and a little besides to thousands of families for many years to come."

Grain Marketing Company

Pennsylvania Farmer for July 26 says: "Not all farmers and farm leaders are in full sympathy with the proposed plan. Many see in it an opportunity for the further exploitation of the wheat-growing industry by speculators. The fact that the 'big five,' the largest wheat dealers on the Chicago Board of Trade, are in the merger and their entire systems to be taken over, excites suspicion in the minds of many. The president of the Indiana Farm Bureau Federation says: 'Instead of tending towards orderly marketing such a movement would throw the entire wheat product into the hands of speculators, giving them a greater advantage over the farmer's products than has ever been true in the history of the farming industry.'"

Section 3
MARKET QUOTATIONS

Farm Products

Aug.1: Chicago hog prices closed at $9.65 for the top and $8 to $9.40 for the bulk. Medium and good beef steers $7.25 to $11.25; butcher cows and heifers $3.50 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $7.75 to $10.50; fat lambs $11.50 to $14; feeding lambs $10.75 to $12.75; yearlings $8.75 to $11.75 and fat ewes $4. to $7.75.

Eastern Shore of Virginia Irish Cobbler potatoes steady to stronger in eastern cities with price advances of 25-50¢ in some markets, closing at $2.25-2.65 per barrel, top of $3 in Boston, slightly weaker in Chicago at $2.50 carlot sales. Georgia Elberta peaches steady to firm in most markets at $1.75-2.25 per bushel basket and six basket carrier, slightly weaker in New York and Chicago ranging $1.50-2.00. Cantaloupes advanced sharply. Turlock Section, California Salmon Tints brought $3.75-5.00 per standard crate of 45 melons in consuming centers. Watermelons generally stronger. Tom Watsons, 24-30 pound average, from Georgia and South Carolina ranged $250-535 bulk per car in leading markets. Delaware, Maryland and Virginia apples Yellow Transparents and Oldenburgs ranged $1.25-2.25 per bushel basket in eastern markets.

Closing prices, 92 score butter: New York 37 3/4¢; Chicago 36 1/4¢; Philadelphia 38 1/2¢; Boston 38¢.

Closing prices at Wisconsin primary cheese markets July 31: Twins 18 1/2¢; Single Daisies 18 1/2¢; Longhorns 18 3/4¢; Square Prints 19¢.

Grain prices quoted August 1: No.1 dark northern spring Minneapolis $1.35-1.47. No.2 hard winter Chicago $1.32 3/4-1.34 1/2; Kansas City $1.20-1.31; St. Louis $1.29 1/2-1.31. No.2 red winter Chicago $1.34 1/2; Kansas City $1.32-1.33; St. Louis $1.38-1.40. No.2 yellow corn Chicago $1.13 1/2-1.15; Minneapolis $1.10 1/4¢; No.3 yellow corn St. Louis $1.12 1/2; Kansas City $1.08-1.08 1/2. No.3 white corn St. Louis $1.12; Kansas City $1.07. No.3 white oats Chicago 51-52 1/2 cents; Minneapolis 50 5/8-51 1/8 cents; St. Louis 54-55 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 90 points, closing at 29.11¢ per lb. New York October future contracts declined 95 points, closing at 27.92¢.

Industrials and Railroads

Average closing price	Aug.1,	July 31,	Aug. 1, 1923
20 Industrials	102.12	102.14	87.96
20 R.R. stocks	89.87	90.08	77.91

(Wall St. Jour., Aug.2.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

VOL. XIV, NO. 29 Section 1 August 4, 1924.

Farm Council Seeks Remedial Measures — A Chicago dispatch to the press of August 4 says: "That the current increase in farm products prices is only a temporary relief and that the fundamental causes of the agricultural depression have not been removed is asserted by the National Council of Agriculture in a message sent August 3 to President Coolidge. The council in its message petitioned the President to have appointed by the Secretary of Agriculture 'an extraordinary commission' to study the basic needs of agriculture and recommend definite remedial legislation to Congress with a view to its enactment during the short session. 'The council does not regard the current increase in the price of farm products as fundamentally meeting the requirements of the agricultural situation,' the petitioning letter states, 'but on the contrary it believes that these requirements can be met only by definitely and permanently establishing agriculture on a parity with industry and labor by extending to it the principles of the protective system in a manner that will insure an American price for the American requiremnts, independent of the world price for the surplus.'"

The Grain Merger — A Chicago dispatch to the press of August 3 states that final action on the recent organization of the grain marketing company as a merger organization is to be taken next Thursday by the special grain marketing committed of the American Farm Bureau Federation.

Farm Prices in Kansas — A Topeka, Kans., dispatch to the press to-day states that seven Kansas banks which have been in the hands of receivers will open this month, Carl J. Peterson, State bank commissioner, announced August 3. Mr. Peterson attributed the reopening of the banks to the large returns from this year's crops.

Land Economics Quarterly to be Issued — Publication of the first scientific journal ever to enter the field of the economics of land will be begun in October, with Dr. Richard T. Ely, director of the Institute for Research in Land Economics and Public Utilities, as editor. The new publication, a quarterly, will be known as the Journal of Land Public Utility Economics. (Press, Aug. 3.)

Interallied Conference — An Associated Press dispatch from London to-day states that the German delegation to the interallied conference, headed by Chancellor Marx, Foreign Minister Stresemann and Finance Minister Luther, is expected to arrive in London early Tuesday, according to official information received by the British Government.

Section 2

Agricultural Prosperity

The Journal of Commerce for August 1 says: "Business prophets who in considerable numbers have of late been bringing messages of good cheer to hearts grown a little sick from hope oft deferred are wont to place what is termed an increased agricultural prosperity fully alongside of probable 'acceptance of the Dawes plan' as a major factor which will shortly usher in a new era of good times. Estimates of $1,000,000,000 placed in the pockets of the embattled farmer by recent price increases have been repeatedly broadcast over the land and glowing pictures painted of the manufactured products that sum will buy. Despite the fact that mail order houses have for a year or more been doing a good business, regardless of the sales of automobiles in rural territory and notwithstanding other evidence that farmers by and large in this country have not been altogether without purchasing power, the old story of a totally impoverished hinterland has been resurrected to show how far-reaching the general effect of a revised agricultural industry is to be. There is a real hazard in the situation that is thus developing. The trouble is not that there is no truth in these reports, or that there may not be a considerable measure of accuracy in these forecasts of better business. On the contrary, there can be but little question that the wheat farmer is much better off than he has been for some time past. He has a normal crop of grain to sell and, thanks to developments outside of our borders, the price that he will be able to get for it has risen very substantially and is likely to hold at levels well above those of the past year. Producers of other grains may likewise benefit in goodly measure from the better prices that those crops are now bringing and, incidentally, the stronger demand for hogs. Judged by the present outlook the cotton planter will also be better off than for some years. Much loose talk has in the past year or two been indulged in with regard to the alleged plight of the farmer, but it is reasonably clear that he has been forced to economize in some measure and consequently is rather likely to increase his purchases if, when and as fate is kinder to him with respect to his net earnings. ... One truly if not 'sweetly solemn' thought that in all this comes 'o'er and o'er again' to the mind of the careful student of current business affairs is that we have here further evidence of our eagerness to find some fortuitous circumstance capable of lifting us out of our difficulties, and of our stubborn unwillingness to set ourselves to the task of working out our own salvation. Assuming that the predicted agricultural prosperity actually materializes and does for us all that is now so glowingly promised, we should, when its effect has worn itself out, as it surely will, find ourselves in a situation not essentially different from that obtaining before the gods of chance looked with favor upon us."

Agriculture

Richard F. Grant, new president of the Chamber of Commerce of the United States, is the author of an article in The Magazine of Wall Street for August 2. This says in part: "I like to look at those 'curves' on profile paper that are nowadays recording the upward price movement of wheat and corn, and livestock. They may be, and I hope, are, good omens that the times, long out of joint for

the American farmers, are changing for the better. Sometimes it happens, as during the last two years, that the rest of us may be doing fairly well while the farmer is not in a happy economic position; but one thing is certain and that is that when our farmers are prosperous all the rest of us are. ... Evidence of the best kind accumulates that the days of extreme hardship in agriculture are past. There has been evident now for some time a gradual strengthening in the economic position of agriculture, both generally and in its important forms. About this improvement there has been little of a spectacular character. A great industry, like agriculture, with large invested cpaital and low annual turnover, in the sense of the relation of annual product to capital, does not ordinarily become sensational in its upward course, however, spectacular particular commodities, like wheat or cotton, may be for a time. This deliberateness in the usual movement of agriculture, however, has its advantages, because once having taken the upward way, and once having attained a favorable level, agriculture tends to maintain it for periods which are practically unknown in other forms of business activity. It would not be surprising if, in the event of the present trend of agriculture reaching a favorable level, it would maintain its position for ten or even twenty years. ... Right here I want to say that in my opinion the farmers, especially the wheat farmers, have come in for much bawling out that they are not entitled to. I think they have done a great job in scaling down the wheat acreage about 25,000,000 acres since the war-time peak, when they were literally implored to drive it to the very limit. They are not in my opinion trying to raise any more wheat than they ought to. On the present approximate 50,000,000 acreage, the crop may easily vary 200,000,000 bushels, and if the variation is downward there will not be wheat enough for bread, seed and a prudent reserve. Doubtless there has been too much specialization on wheat in some regions, but there are many considerations of weather, yields, climate, soil, custom, etc., which should deter us from scolding even such farmers. ... The steadiness of the general improvement in agriculture is not only to be expected but it is reassuring. It suggests the same soundness in the fundamental conditions of American agriculture as is shown to exist now upon analysis in other fields of American business enterprise. Agriculture is peculiarly interested in the soundness of fundamental factors, nationally. As it gets on its feet again it is not going to encounter the menace of an unsound and tottering business fabric. The American business world may be taking a bit of a rest just now, to which it is well entitled, but the future is full of promise of activity. The steady rise of agriculture will give it any support it may need. While the slow process of agricultural restoration is far from accomplished, it may be somewhat anticipated, psychologically at least, should there be spectacular price performances by wheat and corn, and livestock. In such an event there would probably be a very tonic increase in the buying power and performance of large parts of our agricultural population. But the moderate yiel outlook ... admonishes us to go slowly in our calculations on this point. However, time fights on the side of the farmer and, therefore on the side of all of us. He is distinctly on the upward grade, steadily aligning his activities in harmony with general economic conditions, and when he is once again in a normal consuming and buying position he will be an irresistible factor making for prosperity.

Florida Citrus Fruit

The Florida Times-Union for July 29 says: "While the shipment of Florida citrus fruits for the season of 1923-24 was not up to the figures predicted, the record is a good one and shows that this industry is one of the State's main sources pf revenue and the price received brings into Florida each year a vast amount of money that enables it to maintain the reputation of the leading citrus growing State of the United States. Shipments of Florida oranges and grapefruit totaling 53,588 cars have gone out of the State during the season that now is practically closed and which opened late last September. The total is from the records of the Florida Citrus Exchange and includes shipments up to Wednesday of last week. The 53,588 cars of citrus fruits totaled 19,291,680 boxes. George A. Scott, sales manager of the Florida Citrus Exchange, says this total takes no account of the shipments of oranges and grapefruit out of the State by express, as no figures are available from any source as to the volume of the movement of the fruit by express. Nor does the total take into account what is believed to be a considerable quantity of fruit remaining in the State, which never will be shipped. Combining the express shipment and the fruit that will not go out of the State -- mostly low grade stuff,-- preliminary estimates of the 1923-24 crop and the actual shipment are closely in line, with a probable difference of much less than 500,000 boxes between the original estimate and the actual shipments. Of course a few cars will go forward from time to time for perhaps a month yet, but these shipments will not materially affect the season's total. Each year the shipments of Satsuma oranges are increasing in middle and western Florida as well as in the central part of the State and in a few years, if this industry develops as it is predicted it will, the grand total of the State's shipments of citrus fruits will be materially enlarged."

Forest Production

An editorial in American Forests and Forest Life for August says: "The last two or three years have brought great progress. That forest production is an essential of national economy has been conceded by all elements most directly concerned, including the lumber industry. With what the McNary-Clarke law adds to previous governmental activity, there has been attained what many believe is the best expression of national policy that Federal legislation can accomplish at this stage of general knowledge. State legislation also shows marked stimulus, notwithstanding that it has still far to go. Lumbermen have participated in the agitation as never before, gaining an understanding and interest already manifested in useful ways. They are making some beginning in forest management even before admitted handicaps are removed. The spirit of constructive cooperation is here; also the foundation of machinery for its development and functioning. A grave responsibility rests on all sides alike not to endanger the structure by impatience, inaccuracy of statement, or arrogance of dogma. ... If these moral considerations are wisely and sincerely dealt with by all concerned an appraisal of the country's physical facilities for forest production is not discouraging. It is highly reassuring. True, the very lack of any detailed and accurate inventory is one of the best arguments against too hasty attempts to announce the exact detail and extent of

ultimate forest policy, especially insofar as the public police power is invoked because this fundamentally rests on actual necessity. There must be a systematic survey and careful analysis to determine how much, if any, forced and difficult stimulus must be added eventually to that which is now gathering momentum through happier influences. But at least we know that the country has a vast potential forest area, the greater part of which may be kept productive by small protective effort. By no mans is the battle won. Government, States, lumbermen and public have only begun to sense their joint necessity and their joint responsibility. False security will be fatal and this must continually be emphasized. But false alarm may be no less so, when now the need is for steady, discriminating, dispassionate dealing with facts as fast as they are established, with a minimum of excursions and controversies in unnecessary directions to disalign the forces which can accomplish most when united. As we have pointed out in previous issues, the benefits of Federal legislation already accomplished will be measured by the fiscal policy of the Government in carrying out the remedial measures authorized. Without a strong and permanent program of forest expenditures, actual progress after all will indeed have been small. United, the forces which have carried to successful enactment the McNary-Clarke bill, can shape a strong fiscal policy of Federal forest reconstruction and make fully operative the policy authorized. In this direction, we believe, is the urgent and logical course of immediate action."

Wheat Market

An editorial in Modern Miller for July 19 says: "The reduction in the Canadian wheat crop may mean a parity of wheat values in the United States and Canada. There is a very fair prospect of export flour trade in the United Kingdom and Continental markets, and a definite certainty that our flour will be needed in markets where it has been excluded by price disadvantage. The shortage in corn and fruits should be reflected in enlarged domestic consumption of wheat flour. With much milling capacity written off the past two years, increased domestic consumption and enlarged export flour trade 'the period of depression' should be definitely at an end. With trade revival there should be less of a 'buyer's market.' ... With the new Grain Marketing Co. just taking over the Big Five grain firms, the question may well be asked, is the new machinery equipped to accumulate wheat for export trade and finance these transactions? There is no sign of functioning by these exporters on the new crop. Flour stocks are low throughout the country. The long period of easy deliveries and light stocks would be under strain if flour buyers take a notion to follow speculators. ... Flour buyers are slow to accept these rapid advances. Speculators are enthusiastic bulls and are full of enthusiasm. Even those who believe the Canadian situation has been exaggerated, still see a situation of real strength. It is not hard to find the man who believes wheat will go to $1.50 per bu. There are plenty of them. The reversal in flour trade conditions is a study in commercial shifts. The whole trend of the trade is changed in a period of ten days. Men who could not foresee the possibilities of ending 'the period of depression' can easily grasp the potential developments of the Chicago corn and Winnipeg wheat markets."

Section 3

MARKET QUOTATIONS

(WEEKLY REVIEW)

Farm Products

Livestock and Meats: - Chicago hog prices ranged from 10 to 15¢ higher for the week ending August 1. Medium and good beef steers 25¢ lower to 40¢ higher; butcher cows and heifers 10¢ lower to 50¢ higher; feeder steers 25¢ net lower; light and medium weight veal calves 25¢ lower to 25¢ higher; fat lambs 25 to 50¢ higher; feeding lambs 25 to 50¢ higher; yearlings 25¢ net higher; fat ewes 50¢ to $1 higher.

Fruits and Vegetables: - Eastern Shore Virginia Irish Cobbler potatoes steady to stronger in eastern cities with price advances of 25 to 50¢ per barrel in some markets. Maryland Eastern Shore Cobblers sold on the same level as Virginia stock. Georgia Elberta peaches steady to firm in most markets. Cantaloupes advanced sharply. Watermelons generally stronger. Tom Watsons, 24-30 pound average, from Georgia and South Carolina ranged $250-535 bulk per car in leading markets.

Dairy Products: - Butter markets unsettled and irregular. Tone at the close easy to weak. Sentiment mixed but anticipation of lower prices keeps some buyers off the market. Production holding up well.

Cheese markets continued firm with active demand. Wisconsin production running heavy with prospects for heavy make throughout August. Pastures in good shape following abundant rains.

Grain: - Wheat market develops weaker tone as weather conditions improve. Private reports indicate larger crop in United States than reported a month ago. Corn prices highr, both cash and futures reaching new high levels. Oats slightly higher for week but market weaker at close.

Hay: - Eastern hay markets 50 cents to $1 lower. Poorer grades especially dull. Some accumulation reported at New York. Demand light in central western markets. Chicago firm on light receipts but other markets developing weaker tone. Alfalfa markets in southwest and Pacific Coast very firm. Good hay scarce and wanted.

Feed: - Mill feed market developed slightly weaker tone. Mills offering more freely but not pressing sales. Country buying only for immediate needs. Sufficient feed offered for needs of market but no accumulation of transit feed reported. Corn feeds steady but prices practically unchanged.

Cotton: - Average price of Middling spot cotton in 10 designated spot markets declined 69 points during the week, closing at 29.11¢ per lb. New Orleans October future contracts advanced 19 points, closing at 27.19¢.

Industrials and Railroads

Average closing price	Aug. 2,	Aug. 1,	Aug. 2, 1923
20 Industrials	102.89	102.12	88.20
20 R.R. stocks	90.02	89.87	77.28

(Wall St. Jour., Aug. 4.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 30 Section 1 August 5, 1924

Southern Delivery of Cotton Contracts Urged

The press to-day states that the Federal Trade Commission, in a report made public August 4, on the cotton trade, in response to Senate resolutions, recommended that some form of southern delivery on New York contracts be adopted, that cotton contracts be confined to three grades, that consideration be given to a reduction in the size of the contract delivery of 100 bales, and that cotton puts and calls be abolished by a prohibitive tax.

French Grain Market

A Paris dispatch to the press of August 5 states that the grain market which the Government closed on February 18 to stop the rapid rise in the price of wheat was reopened August 4. Market officials said the closing had not improved conditions, but that with freedom restored they hoped grain prices gradually would be stabilized.

Hungary Removes Grain Duties

The Hungarian Government has decided to eliminate all restrictions on grain shipments to that country, according to the press of August 4. The Government announcement to this effect continues: "As a substitute for this considerable loss of revenue the Government will establish a turnover tax of 3 per cent on large and 1 per cent on small flour mills. Neither the farmers nor the laborers are touched by this tax. Part of this program is already in force, and the exact date of the cessation of export duties will be announced shortly."

The Dawes Plan

A Berlin dispatch to the press to-day quotes Secretary Hughes, in a talk to representatives of the American press, as saying: "I think the Dawes plan will usher in an era of peace and prosperity. The rapid execution of the Dawes plan is vital to Europe. I think we have turned the corner--the wish may be father to the belief, but from what I have seen I really think we have turned the corner."

Dawes Plan and Trade

An editorial in The New York Times to-day says: "With the Dawes plan in operation, what will be its effect upon international trade? Specifically, what will be its influence upon American foreign commerce? These questions have long been under study by detached and farsighted economists. They have pointed out that the European settlement will make not only for stability but for revival of business. If, in addition, the United States takes half the German loan, continues to invest in foreign securities, and begins to get payments on the debts owed us by France, Italy and others, how are we going to receive our due? We can not avoid taking it largely in the form of imported goods, say the students of economics....."

Section 2

Agricultural Instruction

The Florida Times-Union for July 31 says: "Announcement has been made from Tallahassee that a budget of more than $100,000 to carry on agricultural work, trades and industries and home economics school work in Florida during the school year 1924-25, under the Smith-Hughes act, has been recommended to the State school authorities. A descriptive report on the work done under this act during the year just closed has been submitted, showing an increasing interest in vocational education in Florida....The teaching of young men in the rural districts to farm in a scientific way and the girls of the farm to take more interest in canning of fruits and vegetables is a splendid move on the part of the State. The reason so many young men migrate to the cities and accept work at a low salary when they could remain on the farm and grow crops in a scientific and profitable way....is because they have not been taught that farming is a science and must be conducted in the same manner as banking, manufacturing or any other business, to make it a success. Improper fertilization, lack of care in preparing the ground, unscientific methods in the treating of the crop for destroying insects, all go toward discouraging the young man on the farm and due to a lack of knowledge of the conditions that would make of his trade a success, he gives up in disgust after several failures and accepts work elsewhere at a salary about half of what he would have received had he applied the right methods on the farm and remained on the job, overcoming all obstacles through the right methods of farming."

Agricultural Situation

St. Louis Daily Live Stock Reporter for August 1 says: "It is possible that American wheat growers will realize from $100,000,000 to $200,000,000 net more for their wheat this year than last, assuming that they sell something over 500,000,000 bushels. This bespeaks an increased ability to pay off debts and a general improvement in financial conditions in the wheat country. On the other hand, the corn situation is by no means brilliant. Stands are extremely spotted, many fields are full of weeds, and much of the crop is so far behind that it will need something approaching a frostless fall to mature. Corn is a feed crop and high prices add mainly to the cost of livestock production. The main significance of the corn situation lies in its effect on livestock production and prices during the coming year. Expensive corn this fall will presumably prolong the liquidation of breeding stock now in process. Unless history is a faithless guide, hogs and high grade cattle will be good property before this time in 1925, it is suggested by Government officials. A six per cent increase in dairy cows in the country over last year is reported, the increase being greatest in the West. The South is considered to be going through critical days now but cotton bids fair to produce a larger and more evenly distributed income than last year. All in all, this season promises to give agriculture a considerably increased economic leverage. The index of purchasing power of farm products is slowly rising, moving up to 79 in June (relative to the year 1913 taken as 100) or 10 per cent higher than any other June in four years."

Agriculture and Business

Arthur R. Marsh, writing in The Economic World for August 2, says: "The general feeling in the American business community about the very considerable rise of the price of wheat and the other g grains which has occurred during the past two months or so, is undoubtedly one of almost unalloyed satisfaction and approval. For nearly three years--that is, almost from the moment when the process of recovery from the economic crisis of 1920-1921 was fairly begun--the failure of that part of the country's agricultural population which is engaged in grain and livestock production to secure its share of the general improvement, owing to the disproportionately low level at which the prices of its products persistently remained, has been regarded as creating the most serious single obstacle in the way of a restoration of permanent and dependable industrial and commercial prosperity in the United States. The highly disadvantageous economic position in which our grain and livestock farmers have been placed by reason of this disparity between their experience and that of the other classes and groups of producers and renderers of service not only has moved the farmers themselves and their spokesmen among the politicians to bitter complaints of the asserted social injustice from which they are suffering and to very disturbing, even if inefficacious, efforts to correct this injustice by political expedients, but it has also compelled the farmers to exercise so severe an economy in their buying of the products of industry proper that the manufacturers and distributors of all sorts of goods have had to contend with choked outlets for important quantities of these goods and have found their business correspondingly uncertain and unprofitable. When the purchasing power of many millions of our farmers is diminished as it has been until very recently by the complete lack of normal equilibrium between the prices obtaining for their products in the markets of the United States and of the world and the prices they must pay for the goods and services they have to buy, the depressing effects are necessarily felt throughout the entire economic fabric of the land. While this is unquestionably the preponderant business and financial opinion with regard to the price phenomena now manifesting themselves in the grain and livestock markets, and while expressions of criticism of or objection to these phenomena from any quarter have as yet scarcely been heard, it is also true that here and there doubt is beginning to be intimated, on the one hand, with respect to the substantiality and permanence of the upward price movement in these markets, and, on the other hand, with respect to its economic justification, at least from the standpoint of the extent to which it has already proceeded....."

Livestock and Meat Situation

Institute of American Meat Packers reports: "Almost overnight a significant change has occurred in the livestock and meat situation. Hogs, which had been selling for months on the Chicago market at prices around $7 per hundred pounds and which as recently as July 1 sold for an average price of $6.90, suddenly advanced as receipts slackened, and, toward the close of the month just ended, reached an average price of about $9.75 and a top price of more than $11.00--the highest since October, 1922. During the last two and one half weeks alone, the price advance has been more than three cents a pound. Product prices also have advanced moderately at

wholesale, but not so much relatively or so rapidly as live prices. Consequently, at present levels and based on current market values, the returns from the sale of the products of a hog are considerably less in most instances than the costs of the live animal plus expenses. Standard bacon, although increasing somewhat in price owing to an improved demand, is still an unusually good buy. All smoked meats, in fact, are relatively cheap, notwithstanding the price advances which occurred during July.....The export trade in pork products, although relatively quiet, was better than in June."

Milling

An editorial in Modern Miller for July 26 says:"...American and Canadian mills should operate on more equal terms. Wheat exporting is likely to concentrate on Canada. There are definite reasons for this. Canadian mills will have plenty of wheat to grind and a surplus to spare, but they certainly will not enjoy the price situation which existed during the marketing of the abnormally great crop of 1923. A price parity between the U. S. and Canada would do no more than to promote 'healthy' competition. British mills prospered when the world was top-heavy with wheat, at least they prospered to the extent of shutting out some of their old rivals, notably the U.S.A. British mills are not going to get wheat from Russia. They are not going to get low-priced wheat in huge cargoes from Canada. British mills will find a good part of the American wheat exporting machinery going through a period of transition and there are no harvest accumulations rushing to seaboard for shipment from the surplus producing areas. There will be wheat for export, but no scramble to unload. In other words, the supply situation for British mills has undergone important change. If we do not mistake the signs, the United States is back in the running, in the matter of export flour trade."

Pulpwood Embargo

An Ottawa dispatch to the press of August 4 states that there will be no embargo on exports of pulpwood to the United States for some time at least. The Canadian Pulp Wood Commission, which has been inquiring for over a year into this and other matters relating to forest resources, has not recommended an embargo. Its conclusion is that the subject is so intricate that it can not assume the responsibility of suggesting to the Government a policy on the subject. Such being the case, it is certain that the Government will not put on an embargo.

Roadside Stands

An editorial in The Spur of August 1 says: "One of the most disheartening sights that the tourist in this country encounters is the disfigurement of the natural beauty of a rustic road by the coarse hand of man. The charm which the makers of the road left untouched is frequently turned into hideousness by the careless placing of ill-looking oil stations, refreshment stands and other such objects. The abuse has spread to an alarming extent. It is not confined to one State or one section. It is as prevalent in New England, for instance, as in New York. Everywhere one drives there is the same indifference to scenic attractiveness. At any turn of the road an ugly structure may look up in all the glaring unsightliness of bright colors or ramshackle construction. The worst offenders are the refreshment places. They are like a kitchen stuck into

a drawing-room. If they refresh the physical side of those who patronize them, they do so at the expense of all that is aesthetic. Refreshing in any high sense they certainly are not....Many of the oil stations, on the other hand, are of a different type. They show that an attempt has been made to prevent them from jarring upon the sensibilities of the motoring public. If they do not improve the landscape, at least they do not mar it unnecessarily....If it is possible to have a few stations which do not outrage the scenery, why can not all of them be made attractive? ...A movement might be started to encourage a uniform design of style and color for these offending stands. If there could be put on the market a portable structure, the problem might be solved. Portable houses are common; portable booths ought to be equally so. They should be as successful commercially as they would be pleasing artistically.....It means much to this country to make it interesting for tourists....Europe learned this lesson long ago. There towns and cities pay special attention to the desires of the tourist.....We are suffering a national loss by our indifference to those things that make travel pleasurable...More automobiles are used here than anywhere else. In this fact lies our great opportunity.....Nothing is more charming than a country road unspoiled by the more sordid aspects of civilization. Nothing is more hideous than that same road disfigured by architectural monstrosities. We need to bestow upon humbler thoroughfares something of the care we have devoted to ambitious routes like the Lincoln Highway. In improving their appearance the law can be invoked in a very limited degree. The appeal must be made to civic pride. Some communities will respond to this appeal more quickly than others, but almost any locality has a nerve of self-respect which can be touched."

Sugar Tariff Report The New York Journal of Commerce for August 2 says: "President Coolidge will require considerable time to study the sugar report submitted by the Tariff Commission, it was stated August 1 at the White House, and spokesmen were unable to indicate when action might be expected. It was explained that the report was long and the difference of opinion as to the advisability of lowering the rate on sugar, which exists among the members of the commission, has complicated the question for the President. Because of the lack of unanimity among the commission members, Mr. Coolidge, it was said, may refer the report to other Government departments for advice before acting. This was taken to indicate that Secretary of Agriculture Wallace may be asked to report on the effect of a change in the sugar tariff upon conditions among the beet sugar farmers, while the Commerce Department may be asked to report on the trade factors involved in a reduction in the sugar tariff....It is generally understood that three members of the commission favor a reduction of 25 per cent in the present rate on imported sugar, while the two other members participating in the case hold that no change in the rate is justified by the facts developed in the investigation. Conflicting interpretations of the cost of production figures gathered by the commission have been admitted to the President. Comparing Cuban production costs with domestic costs over a period including the war years, it is contended that a reduction is justified. On the other hand, there is opinion in the commission that such a theory is wrong

in that it would determine a new rate on a basis which would include inflated Cuban costs during the war years."

Section 3
MARKET QUOTATIONS

Farm Products

Aug.4: Chicago hog prices closed at $10.40 for the top; $8.75 to $10 for the bulk. Medium and good beef steers $7.25 to $11.15; butcher cows and heifers $3.50 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $7.75 to $10.50; fat lambs $11.50 to $13.90; feeding lambs $10.75 to $12.75; yearlings $8.75 to $11.75; fat ewes $4 to $7.75.

Eastern Shore of Virginia and Maryland potatoes tended lower; Norfolk stock showed slight price gains in New York and Baltimore, with a prevailing range of $1.75 to $2.25 per bbl. for cobblers from both sections in eastern city markets; slightly weaker at $1.75 to $1.85 f.o.b. Onley, Va. Georgia Elberta peaches $1.75 to $2.25 per bu. basket and six basket carrier in consuming centers; $1.35 to $1.50 f.o.b. Macon, Georgia. Georgia and South Carolina Tom Watson watermelons 22-30 lb. average $175 to $435 bulk per car in leading cities; 26-30 lb. stock stronger at $125 to $225 f.o.b. Macon, Georgia. Arizona Salmon Tint cantaloupes standards 45's around $4.50; Turlock Section California stock $4.25 to $5.50.

Closing prices, 92 score butter: New York 37 1/2¢; Chicago 35 1/2¢; Philadelphia 38¢; Boston 37 1/2¢.

Closing prices at Wisconsin Primary cheese markets August 2: Twins 18 1/2¢; Cheddars 18 1/4¢; Daisies 19¢; Longhorns 19¢; Square Prints 19 1/4¢.

Grain prices quoted August 4: No.1 dark northern spring wheat Minneapolis $1.37 to $1.58 3/4; No.2 hard winter Chicago $1.31 3/4 to $1.33; Kansas City $1.20 1/4 to $1.34; St. Louis $1.29 1/2; No.2 red winter Chicago $1.32 1/2 to $1.33; Kansas City $1.34 to $1.36; St. Louis $1.38 to $1.41. No.2 mixed corn Chicago $1.16 1/2 to $1.18; Minneapolis $1.12 3/4; No.3 yellow St. Louis $1.15; Kansas City $1.11; Minneapolis $1.10 3/4 to $1.11 3/4. No.2 white oats Chicago 53 1/4 to 53 3/4¢; St. Louis 54 1/4 to 55¢; Kansas City 53 to 54¢; Minneapolis 49 7/8 to 50 3/8¢.

Average price of Middling spot cotton in 10 designated spot markets declined 35 points, closing at 28.95¢ per lb.; New York October future contracts declined 37 points, closing at 27.91¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 4,	Aug.2,	Aug.4, 1923
20 Industrials	103.28	102.89	87.20
20 R.R. stocks	89.79	90.02	76.78

(Wall St. Jour., Aug.5.)

DAILY DIGEST

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Vol. XIV, no. 31 Section 1 August 6, 1924

The Grain Merger A Chicago dispatch to the press to-day states that the Grain Marketing Company, recently organized by a merger of Chicago and Kansas City grain firms and approved by a committee from the American Farm Bureau Federation, yesterday applied for membership on the Chicago Board of Trade. A statement given out by E. F. Rosenbaum, one of the managing directors, said the company starts functioning to-day, handling and selling all small grains, and although a cooperative organization, would observe competitive practices which experience has shown essential. "It will, of course," the statement said, "pursue the policy of hedging, pending its admission to clearances by the Chicago Board of Trade. It will use the facilities of commission houses for this purpose. The company will observe the rules and regulations of the various exchanges to which it may be admitted to membership. It will not embark upon a policy of cut-throat competition toward other firms."

International Conference A London report to the press to-day states that the three German delegates to what the British Premier has renamed the international conference yesterday were given full reports of what the interallied conference had already done, and they may present their replies at the full conference session to-day. So far as could be learned from the headquarters of each delegation last night it seemed that two points for the moment are outstanding. One is evacuation of the Ruhr, which, it is believed in French, British and German circles, may be arranged, and the other is transfers in kind, which, of course, means coke. The latter question, it is feared, will cause the most bickering, but it is firmly believed it will be settled.

Pulp Wood and Paper "A Great Industrial Question" is the title of a lengthy editorial in The New York Times to-day based upon a recent report of the Forest Service on pulp wood. This says in part: "How serious is the problem of supplying the growing demand in this country for pulp wood, the basis of the manufacture of paper, is set forth in a comprehensive bulletin of the Department of Agriculture. Our consumption of paper for all purposes in 1922 was 8,000,000 tons--more than was used by all the other countries in the world. Newsprint paper is made of wood pulp. Of the total paper consumption in 1922 newsprint called for 2,450,000 tons, or 31 per cent of the total requirements. Writing paper of the finer kinds was used to the amount of 350,000 tons. Wrapping paper passed the million-ton mark. Papers 'classified under boards' were 27 per cent of the total....In the past ten years the demand for paper has been rapidly increasing, and we are on the eve of an expansion which is indicated in this painstaking report.....For thirty years we have imported pulp wood from Canada....But the time is coming when Canada will absorb the pulp wood which is now being shipped to the United States. There is no evading the conclusion that the United States must make haste to increase the output of pulp wood from its own forests....."

Section 2

Bacon Hogs

An editorial in Hoard's Dairyman for July 25 says: "American bacon sells for 5 cents less a pound in the English market than does the Danish bacon. The extra price which the Danish farmer receives for his hogs, because they sell for a better price than the American hog, makes it possible for him to purchase 75% of his feed and at a higher rate than the American farmer pays for his feed. The freight on feed from this country to Denmark amounts to nearly $20 a ton. The Danish farmer has developed a special bacon hog and 60% of the live weight of hogs is made into bacon. It was a surprise to us to learn that such a high percentage of the hog could be made into a grade of bacon favored in the English markets."

Business Conditions

The August 2 review of the New York National City Bank says: "A marked revival of business is not expected to make an appearance in the midsummer season, but a change of sentiment for the better has been observed in the last half of July. It has been due in large part to the remarkable rise in the prices of the farm staples which heretofore have been the source of most of the pessimism abroad in the land. The West hesitated at first to believe that anything as good could possibly be true, but when hogs went over the $10 mark the most sceptical were obliged to admit that a change had come across the face of affairs. All reports agree that the outlook for business has improved very much in the wheat and hog territory, which includes all of the West. Admitting that the corn crop will be short, with a fine crop of oats to help out on stock feed, there will be enough corn for the market and for fattening purposes to bring good returns on a full crop. The wheat-growers have a good crop and a good price. There is a good beginning for fall expectations in this increased purchasing power for a large part of the farm population. Already reports from the West tell of the stimulating effects upon business. Moreover, the South has the prospect of a larger cotton crop than last year and a better price. A settlement in Europe will mean much to cotton, and also to the grain and hog producers. The general trend of prices, which has been downward since last March, seems to have reached bottom and turned upward. There is a better feeling among iron and steel producers, while copper, lead, zinc and silver have shown some recovery. Wool has been firmer, silk is firm and the demand for silk goods more active. The price of cotton is a weather proposition at this time, rather than a trade barometer. Hides are a little stronger, rubber likewise, sugar firmer. These comparisons are with a month ago."

Butter Tariff

An editorial in Chicago Dairy Produce for July 29 says: "When officers of the American Dairy Federation met in Chicago last week to discuss the program for their first big get-together at the next National Dairy Exposition, they had before them the question of a higher tariff on butter. Among them there was no sentiment in favor of the movement to increase the butter tariff from the present 8c to 12c. In fact there was unanimous opposition to taking the matter up at this time. An investigation into cost of butter production in this and other countries by the Government

is now under way and among the expressions were several to the effect that a higher tariff will not only be shown to be unjustified but that our present tariff will appear high in a cost comparison."

Farm and City Prices

An editorial in The Oklahoma Farmer-Stockman for July 25 says: "Farmers have been indulging in a lot of self-pity for a few years over the small demand for farm products and the low prices which were paid. Always we compared our prosperity with that of the city man, and our prices with those asked for the city products. The comparison was not in our favor, and we were entirely justified in kicking about it. But now look what's come! Farm prices are on the up-grade and farm folks aren't complaining so much; but the city folks are doing enough for everybody. Their time of trouble is upon them. The cotton mills say they can't sell goods. The automobile manufacturers say the bottom has dropped out of their market. The lumber mills and dealers tell us that their business has dropped off 40 per cent. The steel manufacturers can find orders for only about half the steel they can make. Wholesalers and retailers of all sorts complain about their volume of business. The oil wells are producing more than the oil companies can sell and their stocks are piling up. Wherever you go in the cities you find tales of woe. In other words, the very thing which happened to the farm folks one and two and three years ago is now happening to the city manufacturers and dealers. And with much the same cause. Farmers stepped on the gas in crop production to meet war demands, and failed to slow up when the war was over. City manufacturers enlarged their plants, invested more money in equipment and hired more men to meet the post-war demand for their goods. Then everybody got stocked up on goods and the demand dropped and the enthusiastic city manufacturer is now in more or less trouble....The lesson for farmers is not that they shall close down their farms and move to town to join the already large ranks of the city unemployed. The lesson is that farm folks shall study the facts....about market trends, crop prospects, amounts of carryover and the likely demand of the consumers, and shall then, so far as possible, adjust their crops and plantings year by year to the known or prospective need."

Farmer's Dollar

An editorial in Western Breeders Journal for July 24 says: "Every year the farmer sells, exclusive of livestock and cotton, food essentials to the amount of seven and a half billion dollars. The ultimate consumer pays for this production twenty-two and a half billion dollars--three times as much. Commenting on this, the Association for National Relief of Agriculture says: 'The division of this enormous amount constitutes the following simple sum in arithmetic: First, the railroads are paid 750 million dollars (three-fourts of a billion). Leaving to pay cost of distribution, 14 billion 250 million dollars. Farming can only be made profitable to the farmer through a larger division of this 14 billion 250 million dollars. It is from these subdivisions of the final dollar paid for the farmer's products that farm relief must come. To undertake a plan to procure better prices at the farm in any other manner would mean that the prices to the 76 million non-food producing population must be increased.'"

Fertilizer Outlook An editorial in The American Fertilizer for July 26 says: "With the advent of the fall season the conditions in the fertilizer industry are considerably more promising than they have been for a number of years. The buying power of the farmer has within the past month materially improved, and they have increased confidence that prices for the principal farm crops will be maintained. This can not but reflect to the advantage of the sales of fertilizer manufacturers, and an increased fall tonnage is confidently expected. Conditions in the fertilizer materials market are rather quiet. This is explained from the fact that on account of previous experience, fertilizer manufacturers are not placing their orders for the large percentage of their requirements early in the season as formerly, preferring to wait and buy as necessity demands. Contracting early in the seasons of 1922 and 1923 was not profitable to fertilizer manufacturers....Taken altogether the outlook for better conditions in the fertilizer industry is regarded by prominent fertilizer manufacturers as very promising."

Grain Marketing Company Illinois Agricultural Association Record for August 2 says: "The position of the Illinois Agricultural Association on the recently completed grain merger is one of open-mindedness. It has been neither indorsed nor condemned by our association. When complete and definite information as to the ultimate channels of the grain movement have been ascertained, when past and present earnings of each of the five merging companies have been determined, when legal questions have been carefully scrutinized, and, probably most fundamental of all, when the general marketing policy of the I.A.A. is set in regard to control of markets or control of product, then our officials will be in a position to advise with weight as to the merits of the merger. At the present time, considerable time and effort is being expended in an endeavor to find the truth. It is realized that the merging with ultimate farmer-control may be the greatest opportunity for farmers of the present generation. But should the attempt fail, cooperative marketing would likely receive a set-back for a generation. When one corporation buys another, months and sometimes years are consumed in reaching a definite and clear basis by which the seller and buyer may dicker. There are so many angles that should be considered that the men investigating the merger and its value to our members have a gigantic task--and an important one."

Harvester-Thresher A York, Pa., dispatch to the press of August 5 states that a combination harvester and thresher manufactured by the American Pattern and Manufacturing Company under the supervision of N.H.Ford has been given a successful test. It is designed to cut and thresh the grain in one operation. It weighs little more than the self-binder.

Land Values in Canada An Ottawa dispatch to the press of August 5 states that farm land values in Canada averaged $37 an acre for 1923, the Dominion Bureau of Statistics reported August 4. Orchard and fruit lands in British Columbia averaged $100 an acre. Ontario was second with $64 an acre and Quebec third with $56. Increase in land values in accompaniment with an adjustment of farm product prices was forecast for the end of 1924."

Potato Exchange in Maine

The Press Herald and Maine Farmer for August 3 says: "The Maine Potato Growers' Exchange has made a momentous decision. Whether or not members' potatoes are covered by crop liens or mortgages, they must be turned over to the exchange to market. This is a new legal principle, to Maine at least, but scores of court decisions on the same question in other States have given the matter a definite legal standing. And after all, like most good law, it is just a matter of common sense. No holder of a crop mortgage comes on the mortgagee's farm and sprays or digs his crop for him. Why then should he market it? For is not marketing to-day merely a matter of deciding through what channels, by the aid of which factor, the crop shall move to the consumer. Law is flexible. In its interpretation it is constantly changing to keep abreast of the changes in our daily life. The decision, so abundantly upheld, that a contract with a cooperative marketing association has a prior right over a crop mortgage, merely means that in the view of the law the first step in marketing is an essential and integral part of farm production, and that farm produce can not be regarded in the same light as its cash equivalent until it has passed into other hands than those of the man who raised it. Of course, no one will dispute the fact that the proceeds of any sale or transfer of mortgaged property belong to the man who loaned the money in the first place. The exchange will protect such rights. With a record of one full year of successful service behind it, few holders of mortgages will object to its handling the product. We predict the speedy defeat of any who do attempt to stand in the way of this unjust and inevitable act of cooperative progress."

Russian Agricultural Exports

"The Place of Russia in International Trade" is the title of a comprehensive article by E. M. Miller, statistician of the New York National Bank of Commerce, in Commerce Monthly for August. The author says in part: "Exports of agricultural products from European Russia can not be said to have been based on a genuine surplus, in the sense in which American, Australian and Argentine exports have their origin in a surplus. They were maintained largely as a result of the poverty of the peasants, which kept down the standard of consumption. Under the Czarist regime the pressure of necessity to increase exports in order to maintain gold reserves and meet the charges on foreign debts was very great. In the recent study by the Institute of Economics, to which reference has already been made, it is stated that it was the practice of Government officials to direct special efforts toward tax collection from the peasants during the autumn. As a result of this policy seed grain was not infrequently marketed in order to meet tax payments. Peasant discontent was chronic and even if war and revolution had not supervened, it is not unlikely that exports of grain from Russia-in-Europe would have gradually declined. After agriculture, the most important natural resource of Russia is its forests, which are the most extensive in the world. In 1910, the forest area of European Russia was estimated at 465,000,000 acres and of Russia-in-Asia, 348,000,000 acres, a total of more than 800,000,000 acres. Formerly, 65 per cent of the Russian output was for export, Russia being the main source of imported lumber for the countries of Western Europe, and the foremost timber-exporting country of the world. In 1913, exports from Russia, including Finland, amounted to about 10,000,000 m. ft., compared with

3,800,000 m. ft. from the former Austro-Hungarian Empire, 3,300,000 m. ft. from Sweden, 2,200,000 m. ft. from Canada and 1,700,000 m. ft. from the United States."

Section 3
MARKET QUOTATIONS

Farm Products

Aug.5: Livestock and Meats - Chicago prices: hogs, top, $10.65; bulk of sales $9 to $10.25; medium and good beef steers $7.25 to $11; butcher cows and heifers $3.65 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $8.25 to $11; fat lambs $11.50 to $13.90; feeding lambs $11 to $13; yearlings $8.75 to $11.75; fat ewes $4 to $7.75.

Fruits and Vegetables - Eastern Shore of Virginia Irish Cobbler potatoes ranged $1.75-2.25 per barrel in leading markets. New Jersey Cobblers $1.55-1.60 sacked per 100 pounds in New York. Georgia Elberta peaches sold at $1.75-2.25 per bushel basket and six basket carrier in consuming centers, top of $2.50 in Pittsburgh. North Carolina Belles and Elbertas $2-2.25, Georgia and South Carolina Tom Watson watermelons, 22-30 pound average, $175-415 bulk per car in city markets, 24-30 pound stock $115-250 f.o.b. Macon, Georgia. Turmond Grays, 24-30 pound average $250-350 in Chicago. California Turlock Section Salmon Tints, standards 45's, brought $5-5.50 in eastern cities and $4-4.50 in the Middle West. Norfolk Green Meats $2.25-2.75 per crate in Baltimore. Delaware and Maryland early varieties of apples $2-2.50 per bushel basket.

Grain - Grain prices quoted August 5: No.1 dark northern spring Minneapolis $1.33-1.55. No.2 hard winter Chicago $1.30 1/4-1.31 3/4; Kansas City $1.19 1/2-1.27; No.3 red winter Chicago $1.32; No.2 red winter Kansas City $1.34-1.35 1/2. No.2 mixed corn Chicago $1.16-1.16 1/2; No.2 yellow corn Chicago $1.16 1/2-1.17 1/2; Minneapolis $1.09 1/2-1.10. No.3 yellow corn Kansas City $1.11. No.3 white corn Kansas City $1.08. No.3 white oats Chicago 53-53 3/4 cents; Minneapolis 48 1/8-48 3/8 cents; Kansas City 54 cents.

Cotton - Average price of Middling spot cotton in 10 designated spot markets advanced 24 points, closing at 29.19¢ per lb. New York October future contracts advanced 34 points, closing at 28.25¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 5,	Aug. 4,	Aug. 4, 1923
20 Industrials	102.52	103.28	87.20
20 R.R. stocks	89.78	89.79	76.78

(Wall St. Jour., Aug.6.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 32 Section 1 August 7, 1924

Nebraska Banks An Omaha dispatch to the press to-day says: "Nebraska banks with extended credit and in shaky condition are clearing up or rapidly reducing slow paper and strengthening their reserves as a result of money received from farmers who are realizing on wheat sales, a review of conditions in Nebraska published by the Omaha World-Herald said August 6. The review, based on information supplied by Omaha banks and the State Banking Department, said that deposits from country banks were increasing heavily at Omaha. 'Four or five hundred carloads of wheat are daily being forwarded to the market from the harvest fields of the State and each day in return the farmers are pocketing close to a million dollars,' the review said."

The International Conference An Associated Press dispatch from London to-day says: "The German delegation to the international conference which is seeking to evolve plans for putting the Dawes plan into effect, August 6 cheered the wearied allied plenipotentiaries who have been struggling with the question for three weeks by being ready early with a memorandum outlining the German opinion of the program which the conference has adopted for launching a new reparation era....Last night a high American authority who had read the German memorandum characterized it as 'excellent." After studying the German objections carefully, the American authority said there existed a good basis for settlement of every objection the Germans had raised. He added that the issues outside the purview of the conference, such as military evacuation of the Ruhr and regarding allied railwaymen on the German railroads, would cause more trouble, but he was optimistic that there would be a satisfactory settlement of these problems."

Anglo-Russian Pact A London dispatch to the press to-day states that after months of negotiations a commercial treaty and a general treaty have been arranged between Great Britain and Soviet Russia.

Arthur Ponsonby, British Foreign Under Secretary, told the House of Commons yesterday that the general treaty contained an admission by the Soviet Government of liability to the holders of Russian bonds and an assurance from the Soviets that they would negotiate with the bondholders. "There is an unusual departure in the commercial treaty," Mr. Ponsonby declared. "We are taking into account the monopoly on foreign trade held by the Soviet Government and we are granting to a limited number of members of the trade delegation diplomatic immunity for themselves and for the existing office of the trade delegation."

Business Conditions Continued recession in almost every business field, with agricultural producers, favored by rising prices, constituting an outstanding exception to the trend, was shown in the Federal Reserve Board's monthly review of business conditions made public yesterday. The countries of Europe at the same time were declared to be experiencing a commercial revival of sizable extent. (Press, Aug. 7.)

Section 2

Boll Weevil Control

A statement issued to-day by the Chamber of Commerce of the United States says: "As a part of its 1924 cotton production campaign, the agricultural bureau of the Chamber of Commerce of the United States has recommended to its member organizations in the cotton belt that they use their influence in bringing about the fall destruction of cotton stalks as a cheap and efficient measure of controlling the cotton boll weevil. In a communication to secretaries of southern commercial organizations the national chamber's agricultural bureau calls attention to the striking results achieved by this method of weevil control. By the destruction of stalks and a general clean-up of fields and ditch banks to reduce the cover the weevil might find as protection during the winter months Bexar County, Texas, increased its cotton production 64 per cent above the average for the preceding three years, a record which was 39 per cent better than the average of the four adjacent counties....."

Cotton

The Wall Street Journal for August 6 says: "Hester's estimate of a world carryover of 2,319,000 bales of American cotton as of July 31 has been given a bearish interpretation in some quarters. Before calling the report either bearish or bullish it is necessary to take into consideration the weather over the next few weeks, the probable improvement in agricultural conditions in this country and the possibility that Europe is taking the first step toward reconstruction. Upon these facts may well hang the immediate future of the cotton market. This estimate was considered bearish because it was about 300,000 bales larger than the trade expected. Yet it shows the smallest carryover of modern times. It also includes 230,000 bales of linters, leaving in the world but 2,089,000 bales of lint, or 307,000 less than a year ago. The total of lint and linters in the United States is 400,000 bales less than in 1923. So small a carryover was made possible only by the world reducing its consumption of American cotton 1,389,000 bales from that of the preceding year. This is a reduction of over 10 per cent. Will the spinning world continue this 10 per cent reduction of cotton consumption? It must depend largely upon the American public, for it is in this country that the greatest decrease occurred. Does our outlook favor the use of more or less textiles? Will the improved farming situation have any effect upon the consumption of goods? If there should be a return to the consumption of the preceding year then a crop of 12,600,000 bales would be only sufficient to leave us a year later in the situation of to-day. If consumption is kept down to the level of last year a crop of 11,240,000 bales would carry us through and leave us on the ragged edge, where we are now, with the certainty that any improvement in domestic and foreign conditions would result in a call for more cotton....The carryover figures may restrain bullish enthusiasm, but they afford no foundation on which a bear may stand with safety."

Dairy Federation Assails Sugar Tariff

Vigorous protest against a reduction in the present rate of duty on sugar was lodged with President Coolidge August 5 by the American Dairy Federation. The dairy association's protest struck

sharply at what are believed to be the principles on which the majority of the commission found for a reduction on the sugar duty. Exception was taken to the reported use of production costs over a number of years and the right of the commission to investigate conditions prior to 1921 was directly challenged. Reference of the report to the Secretary of Agriculture was advocated. (Press, Aug.6.)

Farm and City

The Florida Times-Union for August 2 says: "Nathan Mayo, Florida's commissioner of agriculture, pictures the rapid unification of town and country which is being brought about mainly by the automobile, telephone, radio and other inventions which tend to eliminate distance and bring the dwellers in the cities and on the farms closer together than they have ever been before. Mr. Mayo says: 'Various forces are working for the unification of town and country community spirit. Town people are running farms and country people are running business in town. This overlapping of business interests is the most recent of the potential unifying agencies. Good roads, automobiles, telephones, radios, consolidated schools and county fairs are among the more effective of the unifying forces.' It is a fact that for the past ten years there has been a tendency on the part of the city man to take more interest in matters agricultural. In many instances we have the city man who contributes liberally to the girls' canning clubs, the boys' corn and pig clubs and various farmers' organizations, because the town man is rapidly realizing that the farmer's interests and his own are as one. On the other hand, the dweller in the city, as a rule, has at one time or other lived in the country, and a conservative estimate of the city's population will find that fully eighty per cent of its people have either migrated from the farm to the city or have fathers, brothers, uncles or other kin living on the farm where a visit with them is a matter of the keenest enjoyment....The day of the one-horse farmer who is contented with only three hide-bottomed chairs, a lamp without a chimney, a long bench at the bare, pine dining table, a well bucket fastened to a long cypress pole, a clay fireplace and a spavined mule to do his plowing, is past, or is rapidly passing. If he does not enjoy that which is laid at his doorstep it is his own fault. He owes it to both himself and his children to wake up and take his place in the parade of progress that is passing down the concrete road in front of his house."

Farming

An editorial in The Michigan Farmer for July 26 says: We hear much these days about diversification. Farmers everywhere are being advised from most every conceivable source that the only safe way is to diversify. Every farm paper and almost every other paper says so. Most lecturers and politicians say so, whether they know anything about it or not. What started it all? The fact that a lot of single croppers plunged, in a few of the Northwestern States, and ran amuck when crops failed and war time prices disappeared. There can be no question but that general farming is sound farming....Our farmers hardly know what single cropping is. Over much of the country diversified farming has always been extensively practiced, but it is not, nor should it be,

carried on to-day in the same manner that it was in the days of our forefathers.....To-day, he is on a competitive basis. The economic trend of the times has put him there. He must make money. He must produce his goods, whatever they are, at a profit, and the extent of that profit will be determined largely by his ability to produce more cheaply than do his neighbors. If wheat sells for one dollar, and it costs the average man ninety cents, but by putting all available knowledge into practical use he can produce it for eighty cents, then his profits are twice as great as his average neighbor's. The problems of economic production to-day are many. They do not end with the simple task of operating. They include, adaptation of the product to both the man and the land, the proximity of the market and the demands thereof, and an encyclopedia of knowledge about each product, and those kindred to it. ....The successful farmer of this generation is the one who has mastered the intricacies of a few adapted lines and makes them his specialties. He gives them the major position among his farming operations and looks to them chiefly for his income. Other things are fitted in as seems advantageous without detracting from the leading business. They are the side lines and do their bit, but are not allowed to interfere with the main attraction."

Home Demonstration in France

An editorial in The Oregon Farmer for July 24 says: "Home demonstration work and club work among the women and girls of France have been fostered and developed during recent years by the Ministry of Agriculture, which in 1921 arranged an itinerary for a traveling school unit to visit 36 villages in France. These units are called traveling schools because the teacher travels with all of her equipment through the rural sections, spending three months in each of three places during the school term....Much of the credit for making possible the contribution of this type of work to France is due to the untiring efforts of home demonstration agents employed in the United States, in securing living, growing demonstrations in the homes and on the farms of our own countries. The splendid development of the work in this country accomplished not by any individual agent, but by the strength of their combined efforts, has been the factor that has attracted attention in many foreign countries."

Tobacco Crop in Canada

An Ottawa dispatch to the press of August 5 states that Canada's tobacco crop will be 9,000,000 pounds above the yield of 1923, according to estimates August 4 of the Dominion Department of Agriculture, which indicate a 30,000,000-pound harvest. This is the most favorable outlook in five years, according to the report.

Sugar Tariff

A New York dispatch to the press of August 5 says: "That the cane sugar refiners and the large Cuban growers may take an active hand in the sugar tariff-reduction fight is indicated by a few shots already fired by the United States Sugar Association. The association, in advocating a reduction or the abolition of the tariff on sugar, is opposing the beet sugar and Louisiana cane growers on the ground that their numbers and their output are of too little importance to warrant the present tariff of 1.76 cents on Cuban sugar."

Tobacco in Georgia

An Atlanta dispatch to the press of August 5 says: "Ten years ago Georgia produced 7,500 pounds of tobacco. This year 30,000 acres of tobacco have been planted in Georgia, and production is expected to be between 25,000,000 and 35,000,000 pounds, with a value to the farmers of the State of fully $6,000,000. In a decade, tobacco has risen from obscurity to become one of the principal money crops. It has become the salvation of thousands of Georgia farmers who, but for tobacco, would have been ruined by the boll weevil."

Wheat in Kansas

An editorial entitled "A Romance in Terms of WWheat," in The Wall Street Journal for July 31, says: "According to the Republican of Newton, Kansas, a train on the Atchison pulled out of the yards of that place last week with a freight worth marking. It was loaded entirely with the chief product of Kansas--winter wheat. There were 160,000 bushels in the train-load, and at the prevailing price it must have brought its producers $169,000. Commenting on this load of wheat the Republican refers to the fact that it was not further back than 1870 when the pioneers first opened that section. Newton is in southern Kansas no farther west than Topeka and, therefore, is in a comparatively thickly settled part of the State. The stretch of country now takes first rank with the producers of wheat and other farm products. Instead of the old prairie schooner with its span of oxen, which brought the first settlers there in 1870, steam locomotives haul trains like this to a market....That long train-load of wheat typifies a season of unusual prosperity for the farmers of the Southwest which will have a far-reaching effect upon the business and political developments of the whole country."

Wool Market

An editorial in Pennsylvania Farmer for July 26 says: "For some unexplained reason the demand for goods made of wool is the smallest ever known under similar industrial conditions. The lack of demand has caused an unusual slump in the price of raw wool which is selling for 20 cents per pound less than at the same time last year. The market has slumped in spite of low world stocks, decreased imports, the lessened number of sheep in the world and the tariff on wool. Some of the reasons given for the curtailed buying of woolen goods are: high prices, backward seasons, high rents, changes of styles, two-pants suits, and the increased use of silk and cotton goods. The total imports of wool into this country for the ten months ending April 30 were 200,000,000 pounds compared with 438,000,000 pounds in the same period last year. Woolen mills have for a good while been running on short time owing to lack of orders. Will the wool market come back, or have the American people decided finally to spend their money for things other than warm, serviceable clothing? Time alone will tell."

Wool Marketing

The National Wool Grower for July states that wool transactions of the last few months in western territory afford striking illustration of the effect of the grower's neglect to establish an orderly system of disposing of his product. Manufacturers have been determined to obtain their material at lower prices. Necessity of such action has been forced upon them and they would be untrue to their own proper interests if they did not obtain every concession possible.

Section 3
MARKET QUOTATIONS

Farm Products

Aug. 6: Chicago hog prices closed at $10.50 for the top; $8.90 to $10.10 for the bulk. Medium and good beef steers $7.25 to $10.70; butcher cows and heifers $3.75 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $8.25 to $11.25; fat lambs $11.50 to $13.90; feeding lambs $11 to $13; yearlings $8.75 to $11.75; fat ewes $4 to $7.75.

Eastern Shore of Virginia Irish Cobbler potatoes declined 25 to 50¢, closing at $1.75-2.25 per barrel in leading eastern cities; top of $2.50 in Boston; $1.50-1.75 f.o.b. Onley, Virginia. Peach markets irregular. Georgia Elbertas $1.75-2.25 per bushel basket and six basket carrier in city wholesale markets. Tom Watson watermelons nearly steady, 22-30 pound average 25-55¢ unit basis in Pittsburgh and Boston. Thurmond Grays 28-30 pound average $350-410 in Chicago. Cantaloupes advancing. California Turlock Section Salmon Tints, standards 45's, closed at $5-5.50 eastern city markets; $4-4.50 in the Middle West. Norfolk Section Virginia Green Meats $2.25-2.75 per crate in Baltimore. Delaware and Maryland apples, early varieties, $2-2.50 per bushel basket.

Closing prices for 92 score butter: New York 38¢; Chicago 35 3/4¢; Philadelphia 38 1/2¢; Boston 37 1/2¢.

Closing prices at Wisconsin Primary cheese markets August 5: Twins 19¢; Single Daisies 19 1/4¢; Double Daisies 19¢; Young Americas 19 1/2¢; Longhorns 19 1/2¢; Square Prints 19 1/4¢.

Grain prices quoted Aug. 6: No.1 dark northern spring Minneapolis $1.32-1.53. No.2 hard winter Chicago $1.29-1.30 1/2; St. Louis $1.26 1/2-1.27; Kansas City $1.19-1.33. No.2 red winter Chicago $1.30; St. Louis $1.37-1.39; Kansas City $1.33-1.34. No.2 mixed corn Chicago $1.15-1.16; No.2 yellow corn Chicago $1.16 1/2; Minneapolis $1.09 1/2-1.10. No.3 yellow corn St. Louis $1.14; Kansas City $1.10. No.3 white St. Louis $1.14; Kansas City $1.11. No.3 white oats Chicago 54-54 1/2 cents; St. Louis 53 1/2-54 cents. Kansas City 54 cents; Minneapolis 48 1/4-48 1/2 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 5 points, closing at 29.14¢ per lb. New York October futures contracts declined 5 points, closing at 28.20¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 6,	Aug. 5,	Aug. 6, 1923
20 Industrials	102.57	102.52	88.51
20 R.R. stocks	89.73	89.78	78.02

(Wall St. Jour., Aug. 7.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 33 Section 1 August 8, 1924

Liverpool Rejects Cotton Standards

A New York dispatch to the press to-day says: "There will be no trading on the Liverpool Exchange in contracts for future delivery of American cotton beyond July, 1925, the New York Cotton Exchange was notified yesterday afternoon. The decision of the Liverpool Cotton Association was made known in a communication from its secretary, A. C. Nickson, to Secretary Hale, of the New York Cotton Exchange, which read: 'The directors have decided that until further notice there will be no trading in contracts for future delivery of American cotton beyond July, 1925.' This action is in line with cables received here early in the week to the effect that the Liverpool Cotton Exchange was dissatisfied with certain phases of the new international cotton standards which became effective on August 1, although agreeing with other European countries to adopt their use for one year. It was intimated then that the Exchange would drop out of the agreement at the end of this period."

Farm Loans

The New York Times to-day states that the farm loan agencies of the United States Government will float a loan for $60,000,000 in the American investment market next month in anticipation of farmers' needs in moving their crops. The interest rate on such a loan and the subsequent advancing of funds to farmers by the borrowing agencies will be at or near the lowest points in the history of farm loan aid, it is believed.

New York Reserve Bank Reduces Rate

The press to-day states that for the third time this year directors of the Federal Reserve Bank of New York yesterday lowered the rediscount rate, marking it down from 3 1/2 to 3 per cent. The reduction gives New York the lowest Federal Reserve rate in the country.

The New York Times to-day comments as follows: "Although the Federal Reserve Board followed its usual policy of withholding any comment, the action of the New York Reserve Bank in reducing its rediscount rate from 3 1/2 to 3 per cent, is expected to be a signal for similar action by nearly all of the other eleven banks constituting the system. The continued reduction in the rate constitutes a record of the eased demand for credit in the United States and the increasing pressure of money seeking investment, in the view of observers of the reserve system operations. The immense stock of gold now retained in the American banking system has made the American bank independent of any international association in its action....The effect of the rate cut on general business is not considered to be potentially important, in the light of the fact that credit resources have been for many months much larger than the current rate of business transactions has required."

Section 2

Agriculture

The Journal of Commerce for August 7 says: "Current news dispatches are to the effect that the American Council of Agriculture has sent a petition to the President asking that special study be given agricultural problems in this country and adds that: 'The council does not regard the current increase in the price of farm products as fundamentally meeting the requirements of the agricultural situation, but, on the contrary, it believes that these requirements can be met only by definitely and permanently establishing agriculture on a parity with industry and labor by extending to it the principles of the protective system in a manner that will insure an American price for the American requirements, independent of the world price for the surplus.' It is true enough that recent increases in farm prices have done nothing to remove the basic ills of the agricultural industry in this country. Inasmuch as there is apparently an implicit assumption in some quarters that they have, the council does well to call attention at this time to the fact that fundamentally and from the longer point of view no very important change has come over the face of the agricultural situation in this country. It is unfortunate, however, that this good fat should be kicked in the fire by the demand that 'the protective system' be extended to agriculture 'in a manner that will insure an American price for the American requirements, independent of the world price for the surplus.' This is, of course, asking the impossible, and the sooner that fact is realized the better."

Business Conditions

An editorial entitled "The New Optimism" in The Philadelphia Ledger of August 7 says: "There is a new air of optimism on both sides of the Atlantic. On Tuesday the British pound sterling touched $4.46 3/4, a new high record for 1924. French francs jumped fifteen points to 5 1/2 cents and Belgian francs to 5.03 cents, as the Germans appeared before the Interallied Conference in London. London, Brussels, Paris and even Berlin were all optimistic. That day United States Government bonds went to new high levels, carrying with them the national securities of Great Britain and France. In Washington, President Coolidge was echoing the cheerfulness of Western Europe's capitals. There is a probability that the next meeting of the Sixty-eighth Congress will have laid before it further proposals for more reductions in taxation. The stock market is having an unusually active August, and everywhere there is the feeling that the world is on the eve of a great revival of trade and industry. While Europe was destroying herself, she was using enormous quantities of both raw and finished American materials. If she really gets down to the business of undisturbed reconstruction, her demands on American raw materials and finished goods will be nearly if not quite as great for a time as they were during the World War. American grain from the wheat country, cattle from the ranges and the Midwest feeding pens, hogs from the Corn Belt and cotton from the South will be needed in an Old World that is getting back to work. Copper from the Lake regions, motorcars and trucks from the Midwest and North, machinery, tools,

electrical equipment, everything in fact that must go into the reweaving of the fabric of modern civilization will find new markets. If and when Europe begins to regain her lost ground the reaction on this side of the Atlantic should be excellent. Industry doubtless will pick up some of its lost momentum, agriculture feel a new impetus and business in general be stimulated. In the expected revival of world shipping, American railways, as well as ships, will have a part."

Export Beef Trade St. Louis Live Stock Reporter for August 4 says: "In pugilism and athletics the United States has demonstrated that we have the puncher to knock the Argentine cold. When it comes to the question of export beef trade, however, the South American country apparently has the United States down and out. In the five-year period from 1900 to 1904 the average export of frozen and chilled beef from the United States to the United Kingdom was 300,781,600 pounds. By 1913 it had fallen to 163,744 pounds--in fact, had almost vanished. Pressure of war demands put the amount up again suddenly, and it reached a peak in 1918 of 401,357,488 pounds. By 1921 a sharp drop toward normal brought the exports down again to 16,683,856 pounds. In 1922 the supplies of chilled and frozen beef from the United States to Great Britain had fallen to zero. In this year the number of live cattle shipped, which had been zero from 1914 to 1920, inclusive, was 29,595. In contrast with the course of things stated above in regard to the United States, the average quantity shipped from the Argentine republic in the five-year period from 1900 to 1904 was 110,553,408 pounds. By 1913 the exports had gone up to 803,250,000 pounds. During the war, by reason of insufficiency of shipping tonnage, Argentina's exports suffered very greatly, and had fallen to less than 224,000,000 pounds in 1918, when the United States reached its maximum of all time. On the other hand, by 1921 the natural progress of events had brought Argentina up to 837,570,272 pounds. In 1922 Argentina's exports had risen to 887,844,160 pounds. There is an economic reason for the above showing. Land values, commodity and labor costs and taxes in the United States have placed us at a great disadvantage in competing with Argentina beef makers. Moreover, British capital is heavily invested in Argentine ranches and packing plants and it is but natural for England to 'favor its own' in placing beef orders. There is no justification for our stock men building up false hopes on developing a dominating foreign trade under existent conditions. On the other hand, it should be borne in mind that the tremendous population increase and industrial expenses of the United States is creating a new home demand more than offsetting what we have lost abroad. The situation, therefore, is one of encouragement, after all."

Farmer's Market An editorial in Southern Agriculturist for August 1 says: "Soap box orators and jack-leg writers have for years told the American farmer he is the most independent man in the world. This same old story has been told so many times that the farmer has come to believe it is the gospel truth. Of course the farmer is not altogether to blame for believing the story of his independence.

There was a time a good many years ago when the American farmer and his family could practically live within themselves. But that day is gone and the farmer, his wife and his children are heavy purchasers of manufactured articles....Added to being a heavy purchaser in the markets of the world, the farmer has to come into actual competition with the farmers of the world. His home market is supplied from almost every country on the globe and the market for his produce is the world. He can no longer remain independent. He is in a century when rapid transportation plus ice machines makes the carrying of even perishable products possible twelve months in the year. A drought in New Zealand makes the price of the farmer's butterfat advance because the British Isles use about 60,000 tons of butter from that far away island in the Pacific each year....Now that the whole world is in competition with the farmer, he must stop thinking of himself as being independent. He must be willing to cooperate to strengthen himself and to strengthen others. At the same time he must also produce a quality product. The day is past when the independent farmer or the one who is cooperating can secure a reasonable profit from an inferior apple or egg, from poor butter or low grade lambs."

Farm Profits

An editorial in The Country Gentleman for August 9 says: "There is too much land in use for farming purposes that has not paid, does not pay and can not pay its way. There is too much grazing land, untended, abused and running down. Hundreds of private reclamation projects and dozens of State and Federal projects are in trouble because of the unwise attempt to develop new stump, desert or swamp lands before they were needed. Tens of thousands of old fields are going back into pasture; pastures going back into gullied barrens and brush. Millions of acres of what was recently the finest sort of timber, game and recreation country have become idle, unstocked waste. What has happened to us? Nothing except that we are growing up. We've gone through our pioneering days and now are in another and different economic period. We are industrial as well as agricultural. We must make adjustments in our land affairs. To-day people don't need to farm unless they want to; a thousand other occupations are available to them. People will not farm unless it pays them to farm. It never did pay to farm a lot of the land in farms. By really farming the real farm land, under the methods already in use on thousands of successful farms, plantations and ranches, we can raise all the farm products that it will pay us to raise. When we quit trying to farm land that it does not pay to farm, the farmers on the real farm lands will get by very nicely. We must quit using land in ways that do not pay and use land only when and as it does pay. But nobody knows with certainty how to figure whether land is paying its way or not. Nobody knows how to tell, in advance, just where or when it will pay to work land in given ways. If our agricultural authorities would pause for a while in their excited efforts to grow two blades where only one and a half will pay, and would check up on the factors that determine what pays and what does not pay, and make some maps to show where each sort of land use is paying and where it is not paying, perhaps the process of adjusting our land affairs would be

less painful and long-drawn out. Under what circumstances does it pay to use given lands for given purposes? It is a question more vital this year even than politics."

Land Reclamation Chicago Journal of Commerce for August 5, in an editorial commenting upon Mayor Hylan's (New York) recent declaration as to the need of irrigation on the Pacific slope, says: "As a matter of fact, there is too much irrigated land in this country, and Wall Street furnished a great proportion of the money which was put into ventures to bring inferior land into competition with superior acres. There is too much agriculture now. It is difficult even for the ordinary farmer, with dry land, to make a reasonable profit. The difficulty is all the greater in the case of irrigated land. When a man irrigates a farm, or drains a marsh, he adds a tremendous fixed overhead. Year after year he must maintain his canals, ditches, dams, or what not. Thus his irrigated land is usually too expensive for operation. If there were merit in any argument to add to tilled acreage by irrigation, it would be better to begin to till the land which already has been irrigated at vast expense, instead of starting new schemes."

Wheat Philip Coan is the author of a lengthy article entitled "Where the Wheat Crop Will Pay," in Commerce and Finance for August 6. He says in part: "Now that the farmer has the best bids in two years for his wheat, and sees a reasonable hope of making a fair return on its cultivation, the wheat growers stand a good chance of getting on their feet once more. But who are the wheat growers this year? There have been some radical changes in the relative rank of the wheat growing States....From the five leaders, Kansas, North Dakota, Montana, Oklahoma and Nebraska, will come more than 47 per cent of the wheat raised in 1924, if the Government estimate is borne out. In 1920 it took six States to raise somewhat less than one-half of the crop. In 1923, the best seven States fell distinctly short of supplying half the crop between them. The six leaders in the crop average for the years 1914-1918 made up less than 47 per cent of the average crop for those years. It appears from these figures that wheat growing is this year unusually concentrated in a few leading States, while many of the former leaders are diverting land to other kinds of culture...Two considerable changes have taken place this season. The price of wheat has risen and the growers of half a dozen States have raised very nearly one-half of the grain for which the higher price is bid. These States appear on the map as a tier running northward from Oklahoma to North Dakota, skipping South Dakota, since its wheat crop is below average of former years, but the area of bigger wheat crops extends westward into Montana. Likewise it reaches westward from Kansas into Colorado. As the eastern portion of Colorado resembles western Kansas and Nebraska, it is not surprising to find the State producing this year one of its three or four largest wheat crops to date--a crop nearly twice the size of last year's... The mail order catalogues will in that case acquire a keener interest. The farm implement and fertilizer companies will find a field for orders. Road improvement, school construction, and building in general have several years to make up in both the chief

spring wheat States. Any surplus that the present crop may bring bids fair, therefore, to result in an increase in non-agricultural employment....."

Section 3

MARKET QUOTATIONS

Farm Products

Aug. 7: Chicago hog prices closed at $10.35 for the top and $9 to $10.20 for the bulk. Medium and good beef steers $7 to $10.40; butcher cows and heifers $3.75 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $8.25 to $11.25; fat lambs $11.50 to $13.90; feeding lambs $11 to $13; yearlings $8.75 to $11.75; fat ewes $4 to $8.

Eastern Shore of Virginia Irish Cobbler potatoes generally lower, closing at $1.75-2.25 per barrel in eastern markets; $1.50-1.75 f.o.b. Onley, Virginia. Georgia Elberta peaches weaker ranging $1.75-2.25 per bushel basket and six basket carrier in consuming centers. Cantaloupes higher. Turlock Section California Salmon Tints standards 45's sold at $5-5.50 in New York and Boston. Maryland Green Meats $4 in Philadelphia. Delaware Salmon Tints $3-3.50 in New York. Watermelons tend lower. Georgia and South Carolina Tom Watsons 22-26 pound average $175-300 bulk per car in city markets.

Closing prices, 92 score butter: New York 38¢; Chicago 36 1/4¢; Philadelphia 38 1/2¢; Boston 37 1/2¢.

Closing prices at Wisconsin primary cheese markets August 6: Flats 19 1/2¢; Twins 19¢; Cheddars 19¢; Single Daisies 19 1/4¢; Double Daisies 19 1/4¢; Square Prints, Young Americas, and Longhorns 19 1/2¢.

Grain prices quoted August 7: No.1 dark northern Spring Minneapolis $1.34-1.55. No.2 hard winter Chicago $1.28 1/2-1/29 1/4; Kansas City $1.18-1.33; St. Louis $1.26-1.27. No.2 red winter Chicago $1.30; Kansas City $1.32; St. Louis $1.39-1.40. No.2 mixed corn Chicago $1.14-1.15; No.2 yellow Chicago $1.15 1/2; Minneapolis $1.10 1/2. No.3 yellow corn St. Louis $1.14; Kansas City $1.11; Minneapolis $1.08 1/2. No.3 white corn St. Louis $1.14; Kansas City $1.07. No.3 white oats Chicago 54-54 1/2 cents; Minneapolis 48 1/2-49 cents; St. Louis 53-53 1/2 cents; Kansas City 55 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 7 points, closing at 29.07¢ per lb. New York October future contracts declined 14 points, closing at 28.06¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 7,	Aug. 6,	Aug. 7, 1923
20 Industrials	102.30	102.57	89.55
20 R.R. stocks	90.18	89.73	78.36

(Wall St. Jour., Aug. 8.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 34 Section 1 August 9, 1924

Cotton Ruling Edward E. Bartlett, president of the New York Cotton Exchange, received a cablegram yesterday from President Muir of the Liverpool Cotton Association explaining the decision of the latter board to stop until further notice trading in contracts for future delivery of American cotton beyond July, 1925. The cablegram read as follows: "Our futures contract is based on universal standards until July 31, 1925, when agreement terminates. By August 31 our decision as to the basis for trading in August (1925) delivery and onward will be reached, and then trading in July and all future months will be resumed." (N.Y.Times, Aug.9.)

Cotton Exchange Filmed Motion pictures were taken on the floor of the New York Cotton Exchange yesterday while the members were in action following the announcement of the Government crop report, which resulted in a sharp drop in cotton prices. This was the first time in the history of the exchange that motion pictures were taken on the floor. According to Edward E. Bartlett, jr., president of the exchange, the pictures were taken by the Fox Film Corporation for an educational film showing the part the exchange plays in the cotton industry. They will be shown extensively in the South, where many of the planters who raise cotton have never seen the exchange and have no idea of what the trading on the floor looks like. (Press, Aug. 9.)

Business Conditions A questionnaire on business conditions was sent to 10,000 bankers throughout the United States by C.F.Childs & Co., Government bond specialists, in an effort to reach a basis for figuring out the future trend of business, and a summary of the replies was furnished yesterday. The present readjustment in prices, accompanied with low interest rates, can be expected for a long time, according to 75 per cent of the answers, while 17 per cent looked for a short period of readjustment, 20 per cent attributed the letdown in business to political factors and 16 per cent said the reason lay in extravagant living and a "tendency to mortgage future incomes which restrict consumption." (Press, Aug.9.)

Rumania Hoards Wheat A Bucharest dispatch to the press to-day says: "The wheat export duty has been increased 50 per cent to 44 pounds per carload It will be further increased, it is stated, if such action is necessary to curtail the exportation of the grain, the crop of which is declared to be unsatisfactory. The American Minister, Peter Augustus Jay plans to leave Bucharest Sunday for Washington, where he will report fully regarding the new Rumanian mining law and the attitude of the Government toward the settlement of Rumanian commercial debts."

Section 2

Agricultural Prices

An editorial on farm prices and their relation to the administration, in The Washington Post for August 8, says in part: "Since 85 per cent of the country's wheat crop alone is destined for the home market, it follows that domestic consumers will pay for the increase in price in direct proportion. But while the income of the farmer is increased that of the consumer is not necessarily reduced, if the farmer expends his gain upon industrial products. From the rapidly diminishing number of bank failures, it would seem that the farmer is seizing the opportunity to pay off his heavy indebtedness. If this is so, conditions about him will soon be stabilized. A normal, healthy recovery is to be desired rather than the sharp, upward bound from artificial stimulus. If there is a drastic advance in one section there will be a corresponding retreat in another. But the one is dependent upon the other. What is necessary, then, is a collective policy, which takes account of each class. From the gradual, but sure, recovery of the farmer it appears that the country at large is returning to a firm basis."

Cotton Price

A dispatch from Shreveport, La., to the press of August 8 states that forty cents a pound was paid for the first bale of this season's Louisiana cotton crop August 8. The bale which arrived a day earlier than the first two bales of the 1923 crop graded good middling and weighed 395 pounds.

Dawes Report and the Ruhr

An editorial in The New York Times for August 8 says: "Efforts are again made to confuse the economic with the military evacuation of the Ruhr. The former is stipulated in the Dawes report as essential and its provisions have been agreed upon between the Allies. The latter is a matter for negotiation between the French and German Governments. Without economic evacuation the Dawes plan can not be put into effect. But there is no reason to believe that the presence of a small detachment of French troops need in any way interfere with the economic life of the Ruhr region. This fact was tacitly recognized by the Dawes committee...."

Wheat Prices

The National Stockman and Farmer for August 9 says: "The 'hidden factors' which control our markets have been the subject of much conjecture, investigation and agitation. The idea cultivated by panacea peddlers has been that some evil influence controlled prices at the bidding of sinister 'master minds'; that by pushing a button or making signs prices were juggled to the advantage of the jugglers and the dismay of everybody else. That such mysterious forces exist principally in distorted imaginations is plain when we examine the recent trend of the grain market and the factors which influenced it. Added to the estimates of a small wheat crop in this country came the forecasts from eleven foreign countries indicating a harvest of 1,913,000,000 bushels, compared with 2,199,000,000 bushels last year. This is a reduction of 13 per cent. Then black rust struck Canadian wheat and the report came out that the yield would probably be 30 per cent under last year. Foreign countries in need of wheat began to take notice. It looked to them that if they wanted wheat they'd better get it soon, for there might

not be enough to go around. If supply and demand govern prices, under the above conditions prices would rise. We know they did rise and that the old economic law is still functioning. The same thing happened with corn. Following the report of the worst crop outlook in five years, prices advanced immediately. We need not look farther for the factors that control markets."

Section 3
MARKET QUOTATIONS

Farm Products

Aug.8: Chicago hog prices closed at $10.35 for the top and $9.25 to $10.25 for the bulk. Medium and good beef steers $7 to $10.40; butcher cows and heifers $3.75 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $8.25 to $11.25; fat lambs $11.50 to $13.90; feeding lambs $11 to $13; yearlings $8.75; fat ewes $4 to $8.

Eastern Shore of Virginia and Maryland Irish Cobbler potatoes closed weak, $1.50-2.25 per barrel in eastern markets; $1.50-1.60 f.o.b. Onley, Virginia. Peach markets unsettled. Georgia Elbertas $1.75-2.25 per bushel basket and six-basket carrier in eastern markets, $2.25-2.50 in Chicago. Cantaloupes steady to firm. California, Turlock Section Salmon Tints standards 45's sold at $4-5 in consuming centers, top of $5.25 in New York and Baltimore. Watermelons weakened slightly. Tom Watsons from Georgia and South Carolina, 22-30 pound average, brought $225-450 bulk per car. Massachusetts yellow onions sold at $2.75-3 sacked per 100 pounds in New York and Philadelphia; $2.75-2.85 for Japanese Sets at Connecticut Valley points.

Closing prices, 92 score butter: New York 38¢; Chicago 26 1/2¢; Philadelphia 39¢; Boston 38¢.

Closing prices at Wisconsin primary cheese markets August 7: Single Daisies 19 1/4¢; Longhorns and Square Prints 19 1/2¢.

Grain prices quoted August 8: No.1 dark northern spring Minneapolis $1.34-1.54 3/4. No.2 hard winter Chicago $1.30 1/2-1.31; Kansas City $1.19-1.31; St. Louis $1.26-1.27. No.3 red winter Chicago $1.29 1/2. No.2 red Kansas City $1.33-1.34; St. Louis $1.39-1.41. No.2 mixed corn Chicago $1.15-1.16; No.2 yellow Chicago $1.16 1/2. Minneapolis $1.09 1/2-1.10. No.3 yellow corn St.Louis $1.15 1/2. No.2 yellow Kansas City $1.11 No.3 yellow Minneapolis $1.08-1.09. No.3 white corn St. Louis $1.13. No.2 white corn St. Louis $1.13. No.2 white Kansas City $1.12. No.3 white oats Chicago 54 1/2 cents; Minneapolis 48 1/2 cents; St. Louis 52 1/2 cents. Kansas City 54 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 80 points, closing at 28.27¢ per lb. New Orleans October futures contracts declined 82 points, closing at 26.41¢. New York report not received. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug.8,	Aug.7,	Aug.8, 1923
20 Industrials	101.79	102.30	88.63
20 R.R. stocks	90.20	90.18	77.86

(Wall St. Jour., Aug.9.)

DAILY DIGEST

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Vol. XIV, no. 35 Section 1 August 11, 1924

Tobacco Marketing in Tennessee

A Chattanooga, Tenn., dispatch to the press of August 11 states that activities of the Burley Tobacco Growers' Cooperative Association in eastern Tennessee have been suspended following issuance of a temporary injunction against the organization. The injunction was obtained by the State in Knoxville Chancery Court. The State brands the association unlawful, violating the Anti-Trust Act of 1903. The restraining order is believed to be the first step in a determined campaign of private tobacco interests against the association, which has been so recognized as a cooperative organization that it has been able to borrow $10,000,000 from the Federal Government.

The International Conference

A Paris dispatch to the press of August 10 states that unanimous approval was given by the French cabinet August 9 to the action of Premier Herriot and his colleagues at the London reparations conference.

A London Associated Press dispatch August 10 states that the first of three protocols necessary to put the Dawes reparations plan into operation was signed August 9 by representatives of the German Government and the reparation commission. The document formally accepts the Dawes plan, and by it the reparation commission releases all German assets as security for the proposed loan so that they will be available to Germany.

A London dispatch to the press to-day states that news from Paris that Premier Herriot's cabinet had agreed unanimously to his policy acted as a refreshing tonic in conference circles August 10 and it is being again predicted that work will be finished by the middle of the week. The report says: "Everything now depends on military evacuation of the Ruhr. On all other major points the Allied and German experts have reached a complete agreement. Herriot's success in Paris is attributed to two concessions by the British: the one, a conference on inter-allied debts, at which America will not be present; the other, that the British will remain in the Rhineland if the Germans do not fulfill their obligations in respect to the treaty and the Dawes plan."

Europe's Cereal Crop

A Paris dispatch to the press to-day says: "The impression in this market at the beginning of August is that the cereal harvest will be generally good in Europe this season, with the average yield higher than last year's, except for the Northeastern States. Nevertheless, Europe will still to a great extent be dependent on America and Australia for her grain supply during the coming season. As for France, the indicated yield of her wheat harvest is still placed at 80,000,000 quintals, as against last year's 75,000,000."

Section 2

Agriculture

In an editorial entitled "Farmers Wearing Smiles," The Breeder's Gazette for July 31 says: "So far as farmers are concerned the 'smile' map is variegated. We are assured by many readers, however, that their crops and the rising prices of farm products are beginning greatly to brighten their outlook. Undeniably many farmers in various regions are in a much happier mental state and in a stronger economic position than they were last year. One of our Kansas correspondents writes: 'Kansas is happier than it has been for several years, with wheat, corn and hogs steadily advancing in price; and, with a surprising wheat crop, of the finest quality, farmers are at last wearing a smile. Corn promises well. A few more rains will make the crop, and it is cloudy as I write.' It is transparent bunk for any one to argue that 'rising prices for farm products are due entirely to manipulation designed to serve political ends.' The life and vitality of America's interlocking basic industries are beginning to express themselves in farm product prices. If farming were a moribund business, as some of its politically-minded 'friends' assert, attempts to 'stimulate' it would fail The general improvement now taking place is due to causes and forces which no combination of 'interests' could stimulate if the industry were not steadily 'coming back' on its own motive power. Intelligent 'big business' ought to be interested in trying to bring about better prices for farm products. We think that it is; not, however, for partisan political purposes, but for obviously sound business reasons. Most farmers are not 'wearing smiles', and not a few have quit or are deeply discouraged and hard-up; but their business as a whole is undergoing an encouraging improvement, born of its own recuperative power."

Beet Growers on Sugar Tariff

Emphatic protest against any reduction in the present duty on sugar as an act in favor of foreign interests and unfriendly to the agricultural interests of the United States was lodged with President Coolidge August 8 by the Nebraska Cooperative Beet Growers Association, of Scotts Bluff, Neb. The protest, which is the first expression of opposition to the report of the Tariff Commission on the sugar schedule by the domestic sugar beet interests to be made public, was in form of a resolution by the board of directors of the organization signed by Frank Thomas as president and L.R.Leonard, secretary. (Press, Aug. 9.)

Cooperative Marketing

An editorial in Northwest Farmstead for August 1 says: "This paper favors cooperative marketing of all farm products that can be marketed that way.....But Northwest Farmstead wants it distinctly understood that it does not believe that the greatest effect on the price of wheat or any other crop by cooperative marketing will come as a result of a tariff or as a result of an attempt to 'force prices up' by the 'trust' method....On the other hand, with organizations like the Twin City Milk Producers and the Minnesota Cooperative Creameries Association, unquestionably, prices have been maintained at a much higher level than they otherwise would have been, without any violent methods or the use of any other sort of force; just good honest, businesslike methods in which producers

have learned how to serve the demands of their patrons. They have furnished quality; they have furnished it promptly and reliably; they have cut out wastes and losses; they have utilized all the product, or nearly all of it, turning the surplus cream and milk into butter and cheese, the skimmilk into casein, even making use of the buttermilk from the creameries. Cooperative marketing has enabled them to cash in on the quality....Cooperative marketing permits the farmer to really get paid for quality. It permits of large savings in matters such as freight, handling charges and the like. But that it will ever live up to the promises of some of its proponents in the mattee of 'forcing prices up,' Northwest Farmstead very greatly doubts."

Cotton Standards The New York Journal of Commerce for August 9 says: "The news that the Liverpool Cotton Exchange has announced that until further notice there will be no trading in contracts for future delivery of American cotton beyond July, 1925, is taken calmly by the local market in the belief that settlement of the standards controversy which is responsible for the action of the Liverpool exchange will not be long deferred. The differences that have arisen between the Liverpool Cotton Association and the United States Department of Agriculture over the 'universal' adoption of the standards now applied to sales of cotton in the United States have not been given much publicity, but the available information indicates that the differences of opinion are not profound. They apparently grow chiefly out of the inability of the American representatives to guarantee that the standards will not be changed without sufficient notice given in advance. For the present the agreement to recognize the American standards holds, and it is to be hoped that in the interests of all parties concerned the gains in orderly marketing and in the simplification of price quotations resulting from international acceptances of recognized standards will not be lost through inability to settle the outstanding differences."

Farm Prices An editorial in The Rural New-Yorker for August 2 says: "Each week brings us new reason to believe that general farm prices will be higher this fall.This has become quite evident with wheat, corn and most other grains. We think it will follow with potatoes, most kinds of fruit and general farm produce. This will help. A moderate crop with good prices is always better for farmers than a bumper crop and prices completely controlled by the middlemen. In the latter case no one receives any great benefit except the distributing classes. Consumers rarely benefit from a bumper crop. A little illustration of this is seen in the present watermelon crop from the South. There is an immense production and the wholesale markets are flooded so that these melons bring only a few cents each. Yet consumers who buy at retail are paying 65 cents or more. If the retail price were reduced, as it should be, if the law of supply and demand were working properly, there would be three times as many melons sold and the crop could be handled. The 'bumper crop' so highly praised by dealers and middlemen simply gives these gentry the power to dictate prices at will and squeeze both farmer and consumer. The prospects now are for medium sized crops of most products and that will give some advantage to the producer. There will still remain the fact that the purchasing power of the farmer's dollar is too low."

Farm Profits

Writing in Commerce and Finance for August 6, M'Cready Syke says: "The Lincoln (Nebraska) Joint Stock Land Bank gets out an interesting leaflet entitled 'A Graphic Story of Two States,' giving statistics and charts of crop production in Nebraska and Iowa. The title-page bears the subhead 'Whatever Falls, Farming Always Endures.' These two States are properly described as lying in 'one of the richest food producing sections of the world' and as 'characterized by diversified farming.' It appears that an 'average' Iowa farm includes 156.8 acres, of which 134 acres are under cultivation. It has an estimated value of $34,662 and a mortgage of $9,358. The livestock includes 6 horses and mules, 22 head of cattle, 44 head of hogs, 3 sheep and 130 chickens, all of which have an average value of about $1,800. The crops produced beside pasturage include 1,994 bushels of corn, 77 bushels of wheat, 991 bushels of oats, 30 bushels of barley, 5 bushels of rye, 36 bushels of potatoes and 25 tons of hay, all with an average value of from $1,800 to $2,000. Six farms out of seven have telephones and three out of four have automobiles. One farm in six has water in the house and one farm in eleven has a tractor. The figures for Nebraska are not much under these. We take Iowa for illustration because Iowa is perhaps most frequently mentioned as a State of prosperous and successful farming. It is not stated what it cost to produce this $1,800 to $2,000 worth of crops. It takes of course the major part of the time of the owner or of whatever person runs it. We do not know what the owner or manager of a property worth approximately $35,000 would consider his year's work worth, and there probably are no standard figures, but a man with far less ability than such a farm demands could earn much more than $1,200 a year, and that seems a low amount to allow for the owner's services. The hired labor on a farm of 134 acres under cultivation, using 6 horses and supporting 22 head of cattle, would undoubtedly require at least two other men for most of the year, for whose services, with that of extra help in harvest, $1,500 would not be a high estimate. Frequently much of this labor is done by members of the family, but we must count it all in in arriving at the value of the capital investment based on net earning capacity. Seed, fertilizer and supplies would run over $500. These items aggregate $3,200, and although the roughest kind of tentative estimates they are in any case not too high. On the other hand, the value assigned to the crop probably does not include the very considerable portion of the product which either directly or by exchange at the store provides the family commissary. It can not supply it all, and supplies less than it used to do. One thousand dollars would probably be large enough to cover this. The farmer also has his house rent free. The value of this is difficult to estimate, as the comparison must be with altogether different kinds of residences. Allowing a liberal margin, this represents an added credit of say $900, making a total income for crops (taking the higher figure of $2,000), commissary and rental value of the residence of $3,900. A gross income of $3,900 and operating expenses of not less than $3,200 leaves not more than $700 as the net operating income of such a farm. From this must be deducted taxes, life insurance and a proper allowance

for depreciation of buildings. The final net income would be trifling. These being the figures of an exceptionally fertile and well developed region, it is evident that analyzed on an income basis there seems to be but little capital value in the farm itself."

Wheat Buyers of Europe

An editorial in the Journal of Commerce for August 9 says: "The latest official crop forecast indicates a gain of 74,000,000 bushels in the wheat crop of this country, basing estimates on August 1 conditions. This is a very substantial gain of 10 per cent over the estimates of a month ago and brings the estimated total yield to 814,000,000 bushels. Nevertheless the report does not appear to have had a depressing effect upon market quotations. The 'bullish' attitude induced by the belief that heavy foreign purchases, not only of wheat but of various other commodities, will be sure to follow any settlement of the reparations question is based upon somewhat hasty and essentially uncritical assumptions which have been set forth in these columns from time to time. For present purposes, however, the general considerations which make it appear likely that the revival of the buying power of impoverished Europeans will be a very slow development devoid of spectacular features may be disregarded. Attention is called instead to a few of the facts that will influence the European demand for wheat during the coming months--facts unrelated to reparation controversies but undeniably significant in their bearing upon the price situation. It is quite true that both France and Germany have a considerably reduced wheat acreage. It is also true that crops are below the average, and the latest reports from such an important wheat exporting country as Rumania indicate that production is below normal and that no great amount of wheat will be available for export. According to information received from a French correspondent, imports of wheat during the current crop year will be about on a par with those of the preceding period, as the smaller area sown will probably be just about offset by an increase in acreage yield. At the same time news comes from Germany to the effect that in the face of crop shortages a relaxation of the restrictions against exports has led to the exportation of some grain in an endeavor to raise domestic prices, which have improved somewhat of late....."

Wool Consumption

An editorial in The Rural New-Yorker for August 2 says: "It seems that this country has been actually shipping back to Europe wool which it previously imported. Habit and fashion are affecting the market. The New plan of selling two pairs of trousers with each suit lessens the demand for clothing, since the coat and vest will 'last longer.' Then the change in women's garments from wool to cotton and silk (and artificial silk, at that), makes the sheep's overcoat look shabby. And think how the automobile and the radio are affecting trade. Last year some $4,000,000,000 was spent for cars, and some $350,000,000 for radio fixtures. There were no increased earnings, so that this vast sum must be adjusted to 'living expenses.' That means among other things cheaper clothing or more patching and repairing. We see this working out in the shoe trade in the immense increase in cobblers and shoe repairing outfits. It is strange to think how listening in at a

radio may affect the price of wool, yet that is what is happening. And a factor for consideration is the increased use of substitutes. The sheep must compete with the rag bag. Shoddy is selling out wool. And 'artificial silk,' too. Even the silk worm has its imitators just as soon as its product becomes worth while."

Section 3
MARKET QUOTATIONS.
(WEEKLY REVIEW)

Farm Products

Aug.11: Chicago hog prices ranged 75¢ to $1 higher for the week ending August 8; medium and good beef steers 25 to 75¢ lower; butcher cows and heifers steady to 25¢ higher; light and medium weight veal calves 50 to 75¢ higher; fat lambs steady to 10¢ lower; feeding lambs 25¢ higher; fat ewes steady to 25¢ higher.

Eastern Shore of Virginia and Maryland Irish Cobbler potatoes closed weak in eastern markets; New Jersey Cobblers fairly steady. Kansas and Missouri stock firm in Chicago. Peach markets unsettled. Cantaloupes steady to firm. Watermelons weakened slightly. Tom Watsons from Georgia and South Carolina, 22-30 lb. average, brought $325 to $450 bulk per car. Massachusetts Yellow onions sold at $2.75 to $3 sacked per 100 lbs. in New York and Philadelphia.

Butter markets no more than steady following a week of more or less unsettled trading. Principal factor holding market in this position is the scarcity of fancy grades. Storage movement active with surplus over last year becoming heavier this week.

Cheese markets firm and active with prices well maintained. Production continues heavy although in Wisconsin shipping is somewhat held up during the week on account of flood conditions.

Wheat market weaker. Prices about 2¢ lower for week. More favorable crop prospects. Lower foreign markets and heavy movement of new wheat contributed to weakness. Corn market very firm although continued favorable weather was said to be improving crop prospects. Oats steady; prices practically unchanged.

Early arrivals of new timothy hay in eastern and central western markets generally in poor condition, large percentage heating. Demand for this hay rather dull. Best grades of old timothy hay scarce and market firm. Receipts prairie hay light. Rains in West delaying movement. Urgent demand at Chicago and Omaha.

Wheat millfeed market nervous. Demand very dull. Northwestern mills offering only in scant quantities. Southwestern mills and resellers offering rather liberally. Cottonseed and linseed meal quiet, demand light.

Average price of Middling spot cotton in 10 designated spot markets declined 84 points for the week ending August 8, closing at 28.27¢ per lb.; New Orleans October future contracts declined 78 points, closing at 26.41¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 9,	Aug.8,	Aug.9, 1923
20 Industrials	102.05	101.79	88.67
20 R.R. stocks	90.74	90.20	77.90

(Wall St. Jour., Aug.11.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 36 Section 1 August 12, 1924

Growers Sued for Contract Breach

A Macon, Ga., dispatch to the press of August 12 says: "That the Georgia Peach-Growers' Exchange had to resort to the courts during the shipping season just past in order to keep members from breaking their contracts and selling to buyers direct, and that a serious effort will be made to dissolve the organization and liquidate its business at the next meeting were two of the facts revealed here August 11 when suit was filed by the exchange against several growers before Judge Malcolm D. Jones, of the Bibb Superior Court. Injunctions had to be secured to prevent a number of members of the exchange from selling direct instead of through that organization, and the charge brought against these and other growers is that they broke their contracts and sold fruit that did not go through the exchange. Over-production of peaches, inability of the markets to consume the fruit as it came in, and general business depression all over the country produced conditions totally unexpected and without parallel in the history of the Peach-Growers' Exchange, which heretofore has always been able to take care of the situation."

Europe Buying Southwest Flour

An Oklahoma City dispatch to the press of August 12 states that European flour dealers continued rather steady buying of low-grade flours in Oklahoma and Texas, with prospects for an increased business in view of the Canadian situation. Importers of Latin-American countries regard prices here as too high, although the outlook is for good business.

Cooperative Institute

A Cleveland dispatch to the press of August 12 states that representatives of many leading cooperative agencies met in a preliminary conference August 11 to discuss informally plans for organizing a permanent international institute of cooperation to deal with all phases of group buying and selling. The institute would act as a clearing house for ideas on collective dealings. Its membership would be limited to neither producers nor consumers. The conference at Cleveland will set a date in 1925 when the first international institute is to be held, and will consider invitations from colleges for the meeting. Several preliminary organization conferences already have been held in Washington.

Bread Prices in Paris

A dispatch from Paris to the press of August 11 states that the price of bread rose again August 9 in Paris for the third time in less than three months, in spite of the Government's effort to combat the rising wheat market. The Ministry of Agriculture announces that energetic action toward the control of wheat prices will be taken as soon as the London conference is over and the Cabinet can devote itself to the problem of the cost of living, which was one of the principal features of Premier Herriot's campaign for office.

Section 2

Agriculture An editorial in Western Breeder's Journal for July 31 says: "....Isn't it a weakness of the farmer, as well as others, that when he is hard up he wants something done about it, but when the situation improves a little it doesn't appear to be quite so necessary? The advent of a period of comparative prosperity causes him to lose interest in organized movements toward economic stability in agriculture--until conditions change for the worse again. It is an unfortunate tendency. What agriculture needs above everything else is not the occasional opportunity to amass wealth, but greater stability, a condition of affairs that will assure the producers of the country a fair return on their labor and invdstment from year to year. Those who are unfavorable to any legislation affecting agriculture and who are inclined to oppose any organized attempt to give farmers greater control over the marketing of their own products, are already pointing to the present situation as proof that 'it is all a matter of supply and demand.' And of course it is a matter of supply and demand. ~~And of course it is a matter of supply and demand.~~ The law of supply and demand is inherent in our system of commercial intercourse. It should be plain, however, that this law is susceptible to a measure of control; just as the operation of various natural laws are placed under control in order that they may be beneficial instead of harmful. Farmers should learn to treat 'those two impostors,' times that are abnormally good and times that are not good enough, just the same. It should be the purpose of the farmers of the country to steadily develop a plan along broad and constructive lines to eliminate, as far as possible, the element of hazard that is now so apparent in the business of farming. A period of comparative prosperity should not cause any deviation from this purpose."

Canada's Wealth A survey by the Canadian Pacific Railway of the national wealth of the Dominion of Canada in 1921 estimates the total at $22,195,000,000, or $2,525 per capita. Seventeen items enter into the compilation and the capital invested in the farms, including implements and livestock, ranks first, with $6,587,000,000, or 29.68 per cent of the whole. Including the value of the agricultural production in 1921, amounting to $1,396,000,000, the agricultural wealth of Canada totaled $7,983,000,000, or nearly 36 per cent of Canada's wealth. Second in the list was urban real property, to which was added one-third to provide for undervaluation by assessors and for roads, bridges and sewers. The estimated value based on the returns in 1921 was $5,752,000,000, or 25.91 per cent of the total wealth. Railroads were third, with an estimated value of $2,159,000,000. Among the other items of importance were stocks in process, raw material, and finished products of manufacturing establishments, to which 100 per cent was added as an estimate of the manufactured goods in the hands of dealers. This amounted to $1,363,000,000, or 6.14 per cent of the whole. The tangible value of the forests amounted to $1,197,000,000, or 5.4 per cent. The household furnishings and other personal property, including automobiles, totaled $1,144,000,000 or 5.15 per cent. (N.Y.Times, Aug.11.)

Cotton 1 H. G. Hester, secretary of the New Orleans Cotton Exchange, in his official report of the cotton crop of the United States for the season 1923-24, says that "notwithstanding the largest acreage planted up to last year, the outturn of the crop has been disappointing. The few hundred thousand bales increase has not been commensurate with the efforts expended to overcome adverse conditions. Weather, perhaps, more than the boll weevil, has been the cause during the past season, though the weevil has contributed its quota. ....Shortage of supplies and not speculation, as claimed by some foreign authorities, is the cause of high values, which perhaps are less profitable to the farming interests as a whole than would be a more abundant supply at lower prices, produced under normal surroundings." (Press, Aug. 11.)

2 In a lengthy review of the recent report of Secretary Hester of the New Orleans Cotton Exchange, Arthur Richmond Marsh says in The Economic World for August 9:"....The extremely important fact that emerges from the figures just given is that, while the peculiar conditions obtaining of late in the American cotton industry have rendered possible a sufficient reduction in this country's consumption of American cotton since the beginning of 1924 to prevent the development of a positive cotton famine this summer, this saving has almost been offset by an increase in the consumption of foreign countries, especially those of Europe. Indeed, the only inference possible from the available figures of consumption is that during the six months from February to July, 1924, British and Continental European manufacturers consumed about 100,000 bales more of American cotton per month than they had consumed during the corresponding period in 1923. Moreover, this important increase of the rate of British and European consumption is certainly not likely to disappear in the near future, now that the general economic rehabilitation of Europe is practically assured by the adoption of the Dawes reparations program. It is equally certain also that the reduction of about 975,000 bales in the consumption of mills in the United States which occurred during the second half of the cotton year 1923-1924 must be more than made good by an increase of American consumption during 1924-1925, since not the faintest real evidence exists of a decrease of the rate of consumption of cotton goods by the American people."

County Agents in Georgia An Atlanta dispatch to the press of August 11 says: "That farmers throughout Georgia are availing themselves of the aid offered by the county agent, and that this pays for itself many times over in savings effected, is disclosed in the annual report of J. G. Oliver, State agent, just made public. The report shows 5,322 meetings were held by county agents in the State during the year, 21,294 demonstration centers established, and 170,995 farmers reached through these meetings and demonstrations. During the year the county agents assisted 2,107 farmers in obtaining purebred stock. They aided in the purchase of forty-five beef bulls, 285 dairy bulls, 847 dairy cows, 1,147 sows, 2,206 roosters and 32,773 hens. County agents helped to install eighty-three home water supply systems, 102 home lighting systems, and furnished 1,057 building plans to farmers."

Farm Implement Exports

Export figures for the fiscal year ended June 30 show further progress in the recovery from the post-war slump in foreign markets for agricultural implements. During June alone, according to the Department of Commerce, the exports of these goods were valued at $4,722,579. This compares with $4,202,299 in June, 1923, and $2,000,000 in June, 1922. Shipments for the year were valued at $60,904,888 and compare with $51,000,000 in 1923, $37,750,000 in 1922 and $20,250,000 in 1921. In 1920, however, the exports reached the huge total of $80,000,000. In 1913, the last pre-war year, the total was $40,572,352. (Press, Aug. 11.)

Farm Values

"Farm land values have shrunk more than $18,000,000,000 since 1920," says a report of the Sears-Roebuck Agricultural Foundation. "This big slump in land values involves all States except three, but the greatest loss has been felt in the Midwest, where grain and livestock are the principal crops and, in fact, the great bulk of our food supply is produced. Good plow lands in Iowa that averaged $257 an acre for the entire State five years ago are now valued at an average price of $169 an acre. Good plow lands in Ohio shrunk in value from $132 per acre down to $98 during the same period. The equivalent figures for Illinois are $213 in 1920 and $148 in 1924. South Dakota shows a shrinkage of 59 per cent. Western irrigated lands make the best showing taken as a whole. Several of these States have nearly held their own as to land values. This is largely due, no doubt, to the new irrigation projects that have been going through the improvement and investment stage during the past five years. A number of the Southern States have also made a good showing. Texas and Oklahoma, for instance, are credited with average land values slightly higher than the 1920 estimates. New Jersey edges her way into this class also. The strictly cotton-producing Southern States like Georgia and South Carolina have, however, shown sharp declines in land values, despite the high price of cotton." The $18,000,000,000 shrinkage on farm lands, as a whole, is figured on the basis of the 1920 census valuation. The total value of farm lands and buildings for that year is given as $66,316,000,000. The 1924 value as estimated from the reports of the Department of Agriculture figure at about 72.5 per cent of the 1920 valuation. This gives a total calculated shrinkage amounting to $18,237,000,000. This decline brings farm land values back practically to the 1916 level. (Wash. Post. Aug. 9.)

Grain Merger

An editorial in The Prairie Farmer for August 2 says: "The old-line grain men who have offered their properties and their services to the grain producers of the Nation may have a sincere desire to dedicate the remainder of their lives to the cause of agriculture. Then again, they may not. They may be trying to sell a gold brick. For the purpose of argument and without prejudice to the case, let us assume for a moment that the latter is true. These men, accustomed to buying and selling for future delivery, ha have bargained for the delivery of the farmers' elevators and the grain producers to the new grain merger. When delivery day comes the grain men will find the gold brick in their own hands. They will find that Millard Myers can not deliver the farmers' elevators; that John Coverdale can not deliver the grain producers. Everything will be ready for the funeral, but the corpse will be absent."

Livestock Exposition

An editorial in Western Breeders Journal for July 24 says: "Formal announcement has been made that the Pacific International Live Stock Exposition will hold its Fourteenth Annual Show this year November 1 to 8. All indications point to a highly successful show. It is, of course, unfortunate that there will be no stock from California, but this fact will not interfere with the size and excellence of this year's Pacific International, since Eastern States are preparing to send larger and better showings than ever before. It will be remembered that last year, with the cooperation of the railroads, a great livestock special train left the National Dairy Show at Syracuse and came straight through to the Pacific International in record time, gathering up cars of cattle and horses along the way. Undoubtedly this splendid achievement will be repeated this year. The Pacific International has been conducted always in a progressive spirit. No show held so far has been so large and so excellent as to entirely satisfy the officers and management of the exposition, and every year has brought the determination to build bigger and better."

Negro Problem

A Toronto dispatch to the press of August 8 says: "Calling the 'color line' the problem of the present century, President J. W. Gregory of the Geographical Section of the British Association for the Advancement of Science made a prediction August 7 of the development of the race problem in the United States in the next hundred years. Immigration from Southeastern Europe will replace negro labor in the South in occupations requiring skill, will mix freely with the negro, and form a new type of population which will demand and obtain full political rights, according to the British scientist. In order to avoid giving the balance of power to this population, the other sections of this country will probably make a special political division of the section with the South European and negro mixture, allowing its partial self-government and lessening its national influence, according to Professor Gregory. He reckoned that the change which he foresaw would require about 100 years before his anticipation of a kind of colored Free State in America will be fulfilled."

Prices

A New Haven dispatch to the press of August 11 states that Professor Fisher's index number of American commodity prices last week, based on 100 as the average for 1913, is 147.9, comparing with 148.7 in the preceding week and 147.1 two weeks ago. The highest percentage of the year to date was the 155.2 on February 9; the lowest was 142.3 on June 29. The highest percentage since the war was 247, in May, 1920; the lowest 130, in January, 1922.

Sugar Manufacture

The Sioux City Live Stock Record for August 8 says: "But, in case the manufacture of sugar from corn takes on large volume, it seems that the cane and beet sugar industries would have to suffer in just the proportion that corn sugar took the place of the cane and beet product. It might increase the demand for corn production, but it would decrease the volume of beet and cane industry. It is not just exactly clear wherein such a process of development would help agriculture very much."

Section 3
MARKET QUOTATIONS

Farm Products

Aug. 11: Chicago hog prices closed at $10.20 for the top and $8.90 to $10 for the bulk. Medium and good beef steers $4.50 to $9.50; butcher cows and heifers $3.75 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $8.25 to $11.25; fat lambs $11.25 to $13.90; feeding lambs $11 to $13.10; yearlings $8.50 to $11.50; fat ewes $4 to $8.

Eastern potatoes weakened in leading markets and at shipping points. Maryland and Virginia Eastern Shore cobblers closed at $1.50 to $2.25 per barrel in eastern cities; $1.50-1.60 f.o.b. Onley, Virginia. Watermelons higher. Georgia, North and South Carolina Tom Watsons, 22-30 pound average, $225-525 bulk per car in leading cities; 26-30 pound stock $190-325 f.o.b. Macon, Georgia. Peaches generally steady to stronger. Georgia and North Carolina Elbertas sold mostly $2-2.50 per bushel basket and six basket carrier, top of $2.75 in New York. Maryland and Delaware cantaloupes, Salmon Tints and Green Meats $2.50 to $3.50 in eastern cities. Early varieties of apples from Delaware and New Jersey sold at $1.75-2.00 per bushel for best stock in eastern markets.

Closing prices, 92 score butter: New York 39¢; Philadelphia 39 1/2¢; Chicago 36 1/2¢; Boston 39¢.

Closing prices at Wisconsin primary cheese markets August 9: Twins and Cheddars 18 1/2¢; Single Daisies 19 1/2¢; Double Daisies 19¢; Young Americas and Longhorns 19 1/2¢; Square Prints 20¢.

Grain prices quoted August 11: No.1 dark northern spring (new) Minneapolis $1.41-1.44. No.2 hard winter Chicago $1.28 1/4-1.29 1/2; Kansas City $1.17 1/2-1.32; St. Louis $1.23 1/2. No.2 red winter Chicago $1.30; Kansas City $1.30-1.33; St. Louis 1.34-1.37, No.2 mixed corn Chicago $1.14 1/2-1.15; No.2 yellow Chicago $1.15 3/4; Minneapolis 1.09 3/4-1.10 1/4. No.3 yellow corn St. Louis $1.14 1/2-1.15; Kansas City $1.06-1.07; Minneapolis $1.08 1/4-1.09 1/4. No.3 white corn Chicago $1.13 3/4-1.14 1/2; Kansas City $1.05-1.06; St. Louis $1.13-1.14. No.3 white oats Chicago 49 3/4-52 cents; St. Louis 51-51 1/2 cents. Kansas City 53 cents; Minneapolis 48 1/2-49 cents.

Average price of Middling spot cotton in 10 designated spot markets advanced 5 points, closing at 28.28¢ per lb. New York October future contracts advanced 7 points, closing at 27.40¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 11,	Aug. 9,	Aug. 11, 1923
20 Industrials	102.20	102.08	89.11
20 R.R. stocks	92.20	90.74	78.11

(Wall St. Jour., Aug. 12.)

DAILY DIGEST

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Vol. XIV, no. 37 Section 1 August 13, 1924

Cooperative Body Decides on Scope

A Cleveland dispatch to the press of August 13 states that International Institute of Cooperation, at its conference August 12, unanimously adopted the report of its committee on permanent organization and indorsed the recommendations submitted by the committee on plans and scope. Under the organization plan membership in the institute will be held by organizations and not by individuals. A cooperative body may name as many delegates as it chooses, but each delegation will have only one vote. The committee on plans and scope recommended the calling of annual trade conferences to be participated in by all members interested in the same industry or commodity. Seven universities have asked that the institute be located with them. They are Ohio State, Dartmouth, Brown, Cornell, University of Illinois, University of Rochester and Iowa State College. The following cooperatives are assisting in organizing the institute: The American Association of Commissioners, Secretaries and Departments of Agriculture, the National Grange, the American Farm Bureau Federation, the Farmers' Educational and Cooperative Union of America, the Farmers' National Grain Dealers' Association; the National Cooperative Milk Producers' Association, the National Board of Farm Organizations, the National Association of State Marketing Officials, the Sun Maid Raisin Growers, the American Wheat Growers, Associated; the Rhode Island Hospital Trust Company, the American Committee on the Institute of Agriculture at Rome and the Farmers' Equity Union.

Land Banks and Farm Credit

Joint Stock Land banks and Federal Land banks are experiencing intense competition from other lending institutions, such as private banks and insurance companies, because of the present condition of the money market, which has a surplus of funds. Farmers in most sections are reported as having little difficulty in getting credits at their own banks. One result is seen in the last issue of Joint Stock Land bank bonds, which amounted to about $40,000,000, the smallest on record. It is expected that the usual fall issue will be even smaller. Several important consolidations of Joint Stock banks are said to be in the making and probably will be announced officially soon. One estimate is that the present total of about seventy banks will be cut in half.(Press, Aug.13.)

The International Conference

An Associated Press dispatch from London to-day says: "The decision of the German, French and Belgian delegates on the Ruhr evacuation problem will probably be communicated to the reparation conference to-day. Announcement of this was made by Premier Herriot, of France to the 'big fourteen' yesterday afternoon. It is this question which has brought negotiations to a standstill, and until the problem is solved by the three directly interested powers and the British there can be no progress toward closing up the program for the inauguration of the Dawes plan."

Section 2

Canadian Wheat Crop

An Ottawa dispatch to the press of August 12 states that Canada's wheat crop this year was estimated at 282,042,000 bushels August 11 by the Dominion Bureau of Statistics. The final estimate of last year's wheat crop was 474,199,000. The average yield per acre of fall wheat was estimated at 25.1 bushels on a harvested area of 765,679 acres, or a total of 19,245,000 bushels, as compared with 19,315,000 bushels from 815,706 acres last year. The majority of fall wheat is in Ontario, where the crop will average 26.9 bushels per acre, as against 23.1 bushels last year. In Alberta on a small acreage the average has dropped from 28 bushels to 10 bushels to the acre.

Crops and Wall Street

The Wall Street Journal for August 12 says: "An irreverent citizen from southwestern Kansas where everything, even humor, is dry, writes to The Wall Street Journal: 'Senator La Follette has a right to view with alarm the conspirators of Wall Street who are forcing up the price of the farmers' wheat and hogs. This expenditure of something like a billion dollars by the predatory interests to undermine his candidacy should be brought to the attention of the Senate committee investigating campaign expenses. How about the decline of four cents in wheat on August fifth? We westerners want to know if Wall Street is now backing La Follette.' Truth compels Wall Street to refuse any credit for the present advance in farm prices. But to keep the records straight the facts can be stated: Last year the world crop of wheat outside of the United States was enormous. Canada, for instance, produced the greatest crop in its history. Because of this great crop prices were unduly low. In the United States the total crop was moderate and in some sections almost a failure. A poor crop and low prices were the causes of agricultural distress. This year the world crop is considerably below that of last year. Canada, the principal exporting country, has only about half what she had last year. Because the supply so closely matches the probable demand prices are high. In the United States there is a splendid crop which, as was the case last year, will be sold at the world level of prices. Wall Street was not responsible for a comparative crop failure or the small price last year in the United States. Neither can it claim credit for the small crop in the outside world which is raising prices for the large production in the United States this year...."

Farm Science

The press of August 12 reports Sir John Russell, president of the agricultural section of the British Association for the Advancement of Science, in his address at the August 11 meeting at Toronto, as follows: "After tracing the problems confronting the agriculturist and pointing out the great value of combined cooperation between the great institutions devoted to agricultural science in the various countries of the world, Sir John said in conclusion: 'The purpose to discover the principles underlying the great facts of agriculture gives the investigator full latitude and it justifies an investigation whether the results will be immediately useful or not, so long as they are trustworthy. For the upraising of country

life necessitates a higher standard of education for the countryman and education based on the wonderful book of nature, which lies ope for all to read if they but could. How many farmers know anything about the remarkable structure of the soil they till, of its fascinating history, of the teeming population of living organisms that dwell in its dark recesses; of the wonderful wheel of life revolving perpetually throughout the seasons in which the plant takes up dead simple substances and in some mysterious way fashions them into foods for men and animals and packs them with energy drawn out of the sunlight, energy which enables us to move and work to drive engines, motor cars and all the other complex agencies of modern civilization? We none of us know much about these things, but if we knew more, and if we could tell it as it deserves to be told, we should have a story that would make the wildest romance of human imagination seem dull by comparison and would dispel forever the illusion that the country is a dull place to live in. Agricultural science must be judged not so much by its material achievements as by its success in revealing to the countryman something of the wonder and the mystery of the great open spaces in which he dwells.'"

Farm Values

An editorial in The Washington Post for August 12 says: "The statement of the Sears-Roebuck Agricultural Foundation that 'farm land values have shrunk more than $18,000,000,000 since 1920' has a formidable sound. Eighteen billion dollars is a large amount to lose. But we shall understand the situation better if we look into it a little below the surface. The value of farm land in 1910 was a little more than $28,000,000,000. In 1920 it was more than $54,000,000,000. Thus it had increased practically 93 per cent. At the same time the acreage of farm land had increased only from 878,000,000 to 955,000,000, or less than nine per cent. The value had increased more than ten times as much as the area. To take a typical agricultural State: In Iowa the value of farm land increased more than 138 per cent, while the area actually decreased by 1.3 per cent. What this means is quite obvious. It means that the value of farm lands was--and we suppose is--calculated according to the current market prices of their chief products. Corn is the chief product of Iowa farms. In 1909 it sold for only 49 cents a bushel, and in 1910 the farm lands of the State were reckoned worth only $3,257,000,000. In 1919 corn sold for $1.35 a bushel, and the farm lands, slightly decreased in area, in 1920 were reckoned worth $7,601,000,000. The market price of the crops had increased 175 per cent, and the estimated value of the land was accordingly increased more than 138 per cent. And of course when the market price of corn fell, the estimated value of the land fell also. The estimate of $18,000,000,000 shrinkage in farm land values was doubtless made a little while ago, when corn and wheat prices were low. If it should be made to-day, on the basis of the greatly increased prices of grain, the showing would be very different. The statement that land values has fallen or risen chiefly means, in brief, that there has been a fluctuation in the market price of produce. It would be as fallacious to say that the farmers had been ruined by the decrease of 33.3 per cent from 1920 to 1924,

as it would be to say that they had all been enriched by the increase of 98 per cent from 1910 to 1920. When we are dealing with values which are frequently and greatly fluctuating, it will not do to base general conclusions upon their status at any one moment. There must rather be a judicious survey of averages, extending over a considerable period of time. Neither a fat year nor a lean year is the true index of a country's economic condition

Flour Exports

An editorial in Modern Miller for August 2 says: "There is every reason to expect export flour trade to develop this year. Importers are showing their interest in the situation and connections that seemed commercially dead have suddenly come to life. As the situation now stands the winter wheat prospect is fully up to expectations and the chances are that the next Government report will show an increase.....The spring wheat situation is equally good. It has more than maintained its official prospect. This is in contrast with Canada's short crop and quality far below last year. In other words Canadian competition in price and quality has undergone a great shift. The price situation has been the one big stumbling block for American mills the past year. The chances are that the average price for the crop movement in the two countries will be in favor of the United States, particularly if the present prices are sustained or advanced before the Canadian harvest. A fair competitive basis would not be detrimental to either country. Europe should absorb more than last year with the short wheat crop in Russia and reduced production in Central Europe. The Southwest is first in the field with new flour of good quality and naturally feels the pulse of possibilities in export flour trade. American mills have a real opportunity this year and should organize for trade development. Export business will respond to well directed effort."

Flour Price in England

Herbert N. Casson writes to the Philadelphia Ledger of August 11 as follows: "The recent sudden rise in the price of flour is a serious matter to a nation that has 43,000,000 bread eaters, and which grows only one-fifth as much wheat as it consumes. It is especially serious to a nation that has over 1,000,000 unemployed, and whose exports have been cut down 35 per cent below the pre-war figure. Three cents more per loaf means that $90,000,000 more will be added to the bread bill of the British people, and all of the money will be paid to outside countries. If present prices continue, it will mean hunger in Great Britain and starvation in Central Europe. The rise in the price of wheat has been sudden and unexpected. England had no fears of a wheat shortage....."

Wool in California

A Fresno dispatch to the press of August 11 says: "After several months of inactivity in the wool market there has occurred an abrupt change, with buyers in this section extremely busy and the price increasing steadily. Fresno is the leading wool-producing county of California. N.D.Vaughan, local banker, declares that the bulk of wool holdings here will be sold in the next two weeks. More than 25 per cent of the clip already is in the hands of the buyers."

Section 3
MARKET QUOTATIONS

Farm Products

Aug.12: Livestock and Meats: Chicago prices: hogs, top $10; bulk $9.40 to $9.90; medium and good beef steers $9.40 to $10.50; butcher cows and heifers $3.50 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $8.75 to $11.5 fat lambs $11.50 to $13.90; feeding lambs $11.25 to $13.25; yearlings $8.50 to $11.50; fat ewes $4 to $8.

Eastern Shore of Virginia and Maryland Irish Cobbler potatoes ranged $1.50-2.50 per barrel in leading markets. New Jersey Cobblers $1.10-1.50 sacked per 100 pounds in eastern cities. Very few sales of watermelons were reported. Georgia and South Carolina Tom Watsons and Thurmond Grays, 22-30 pound average, brought 30-60¢ unit basis in Pittsburgh and Baltimore; 23-25 pound Tom Watsons $250-375 bulk per car in Chicago. California Turlock Section cantaloupes Salmon Tints mostly $4-4.75 per standard crate of 45 melons. Delaware and Maryland Salmon Tints $2.50-2.75 in New York. Texas Honeyvalls, flats of 12 and 15 melons, $1.25-1.75 in midwestern cities. Georgia and North Carolina Elberta peaches $2-3 per bushel basket and six basket carrier in city markets, with Belles selling on about the same price level. Massachusetts yellow varieties of onions, few sales at $3 sacked per 100 pounds in New York.

Grain prices: No.1 dark northern spring (new) Minneapolis $1.37-1.40. No.2 red winter Chicago $1.31-1.31 1/4; Kansas City $1.32-1.33; St. Louis $1.34-1.37 1/2. No.2 hard winter Chicago $1.28 3/4-1.30 1/2; Kansas City $1.18-1.31 1/2; St. Louis $1.25 1/2 No.2 mixed corn Chicago $1.14 1/2-1.15; No.2 yellow Chicago $1.15-1.15 3/4; Minneapolis $1.12-1.12 1/2. No.3 yellow St. Louis $1.15 1/2; Chicago $1.14-1.15 3/4; Kansas City $1.06-1.07; Minneapolis $1.10-1.11. No.3 white corn St. Louis $1.13; Kansas City $1.04-1.05; Chicago $1.13 3/4-1.14 1/2. No.3 white oats Chicago 50 1/2-52 cents; St. Louis 51 1/2 cents; Kansas City 52; Minneapolis 48 1/2-49 1/2 cents.

Average price of Middling spot cotton in 10 designated spot markets advanced 86 points, closing at 29.14¢ per lb. New York October future contracts advanced 95 points, closing at 28.35¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 12,	Aug. 11,	Aug. 11,1923
20 Industrials	101.51	102.20	89.11
20 R.R. stocks	91.50	92.20	78.11

(Wall St. Jour., Aug. 13.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 38 Section 1 August 14, 1924

Agricultural Credit Corporation

A New York dispatch to the press of August 14 says: "Loans and investments exceeding $4,000,000 and affecting more than 200 banks in the Northwest have been made by the Agricultural Credit Corporation up to mid-July, it is reported...The corporation had assisted in the reopening of nine banks and by its loans of $4,000,000 has helped to protect deposits of more than $45,000,000."

Agricultural Situation

Glenn Griswold, Chicago correspondent of The Public Ledger, in August 14 issue says: "There are many persons who have questioned the economic value to the country of the recent advance in the price of wheat, corn and other farm products. These say it will not mean much to the farmer, because he has very little to sell in order to take advantage of the higher prices. To some extent this may be true, but it is not entirely so, as evidenced by some developments in the agricultural districts. An observer in Council Bluffs, Ia., has this to say: 'We, right here on the ground, already are feeling the effect of higher prices for agricultural products.' He says the banks in southwestern Iowa are 'unfreezing' some of their credits through hogs, corn and such wheat as is grown in the section. The latter condition is borne out in conversations with Chicago bankers, who declare that the paying-up process is not evident in Iowa alone. They are experiencing the pleasant feeling that comes with correspondent banks paying off loans that have been carried for two, three and four years, in many instances. That is an important economic condition. The farmer is gradually getting out of debt, and the higher prices for the products he has available for the market are aiding him in no small measure. The banks in turn are getting some of their assets released from the state of freeze which has gripped them since the deflation of 1920 and 1921."

Railroads

A New York dispatch to the press of August 14 says: "With about a month to go before traffic picks up for the fall rush the Class 1 railroads, according to detailed reports concerning condition of locomotives and freight cars, are in an excellent position to take care of the increased freight movement. As of the middle of last month the railroads reported 18.3 per cent of their locomotives in need of repair and 8.8 per cent of rolling stock in need of overhauling."

The International Conference

An Associated Press dispatch from London to-day says: "After two conferences, lasting five hours, the French and German delegates to the international conference tonight still were deadlocked on the question of the time to be allotted for the military evacuation of the Ruhr, and it was decided that Premier Herriot of France, Chancellor Marx of Germany, Premier Theunis of Belgium and their associates would meet again at 9 o'clock tomorrow morning in another effort to reach an agreement."

Section 2

Grain Exports

Exports of grain from the United States last week totaled 1,845,000 bushels, against 2,234,000 bushels for the previous week. Commerce Department figures compared with those of the previous week follow: Barley, 503,000 bushels against 89,000 bushels; corn, 161,000 against 165,000; oats, 27,000 against 2,000; rye, 47,000 against 652,000; wheat, 1,107,000 against 1,326,000. United States and Canadian wheat flour in transit, 262,000 barrels against 174,-000 barrels. (Press, Aug. 12.)

Grain Merger

An editorial in Orange Judd Illinois Farmer for August 1 says: "The first impression of most people upon hearing that five of the largest grain firms in the world are to consolidate and sell out to farmers was one of surprise, and that surprise was followed in most cases by a questioning attitude. Why should these firms want to sell out? What have they got up their sleeve? Who, if anybody, is concealed in their wood pile?...We want to be recorded as solidly back of the spirit expressed by President Sam Thompson, of the Illinois Agricultural Association, when he said we should remain open minded until definite and complete facts are presented. This plan is undoubtedly the biggest thing that has ever been proposed. We don't find it easy to speak casually of so many million dollars as it involves. If it is a good thing it will be tremendously good, and if it is not a good thing, it will never get to first base. We haven't any personal axe to grind, and we haven't any pet plan that this proposal interferes with. We propose to stand by and hear all the facts before we either recommend or condemn it."

Immigration in Canada

Efforts by the Canadian Government to achieve the speedy assimilation of new settlers have been carried out successfully as to hundreds of crofters from the Islands of the Hebrides, who have located on farms in Western Canada in the past several years. Moving these crofter farmers, who are hard working and desirable persons, from their native homes where depression reigned and the outlook was most discouraging, was regarded as an experiment, but a bulletin of the Canadian Pacific Railroad states that they have bee. assimilated successfully. The Canadian Pacific Railway undertook to move great numbers of the inhabitants of the Hebrides from the northern islands to Western Canada, and succeeded through the co-operation of the Federal Government and the sympathetic assistance of private organizations. The newcomers expressed a desire for a community settlement, and in this respect their wishes were acceded to so far as circumstances would permit. Many of the crofters were established on farms in two districts near Calgary and Edmonton. Because of the satisfaction expressed by the early arrivals over their treatment, 700 other Hebrideans and their families have moved to Western Canada in the past year. (N.Y.Times, Aug.8.)

"Pittsburgh Plus"

An editorial in The Michigan Farmer for August 2 says: "....Farmers being heavy purchasers of steel, this decision will mean considerable in the economy of farm operations. For instance, one farm implement manufacturer is obliged to charge a million

dollars extra for its annual output, simply to cover this imaginary freight charge. The American Farm Bureau Federation has calculated that the practice costs the farmers of eleven Middle-Western States a total of $30,000,000 dollars each year, and there are other States which pay tribute to this practice in even greater proportion. While this decision will likely be appealed, there is no justice in the practice and it ultimately must be abandoned."

Rubber

Frederick Simpich is the author of a lengthy article entitled "Can We Grow Our Own Rubber" in The Country Gentleman for August 16. He says in part: "Some of our great manufacturers awoke some time ago to the menace of the present situation. Already they have begun to grow their own rubber over there in Malaysia. But our share so far is very small. More significant still, the Pacific Ocean lies between those far-away plantations and our Ohio factories. From the standpoint of national security, if for no other, it is a grave strategical error to have to sail over 10,000 miles and back again--through seas which might some day be hostile--for a raw material as necessary as rubber. And then we have to pay any price these eastern growers ask. Out there an agreement exists to limit production, which means, eventually, raising prices. To this rubber-control plan the Dutch are not a party. It is purely a British colonial measure--but the British control 77 per cent of all rubber grown in the East. Till this artificial regulation was imposed, obstructing the law of supply and demand, we made no complaint about the cost of rubber. But this plan will soon cut output, very much, in proportion to our increasing use. A war, an outbreak of rubber tree disease such as wiped out the industry in Dutch Guiana, or a plague such as now and then kills armies of native workers in the East--any one of these could make rubber cost us many times what we now pay. Under some extreme circumstances we might even be shut off entirely from this source....This foreign control of output and price on raw materials needed in our agriculture and industry, like nitrates, potash, sisal and rubber, is causing our Government the gravest anxiety....In five years then we shall not be able to buy all the rubber we want, at any price. What the price may rise to, when we face that shortage, no one can now say. Our only way out, it seems, is to grow our own rubber. To do this, we must either increase our holdings in the British and Dutch colonies, or else develop new fields in the Philippines and Latin America....."

Russian Order for England

A Moscow dispatch to the New York Times of August 13 says: "The Anglo-Russian agreement already has begun to bear fruit in the shape of an order just placed by the Centrosoyous-Union of Russian Cooperatives--with English firms for agricultural machinery, according to Frank A. Wise, a director of the Centrosoyous, who is in Moscow to attend a meeting of Centrosoyous representatives from all over the world. 'This immediate order,' he said, 'runs into tens of thousands of pounds for heavy machinery, threshing machines, &c. The Centrosoyous will receive from four to five years' credit partly by the British firms and partly from the Trade Facilities act, which becomes available for Russia under the agreement.'"

Shipping Fruit in Florida

Florida Times-Union for August 5 says: "Just as the 'green fruiters' are justly held responsible for the slump in citrus price during the last shipping season, so the greediness of certain growers may utterly ruin the market for Florida grapes. The excuse is sometimes offered for the premature shipment of citrus fruit that the growers are afraid lest they may be caught by a severe frost before their fruit is gathered. Even this poor excuse for working a fraud on the consumer is lacking in this case. Certainly the fear of an early and severe frost can not be urged as reason for thus stabbing this promising new industry of grape growing. The sordid rapacity shown by those who rush grapes to market before they are mature must reflect upon those who practice it. If they destroy the demand for Florida grapes by cheating the dealer and the consumer they will surely lose the money and the labor invested in their vineyards. It is the more unpatriotic, the more outrageous, because the market for Florida grapes is not yet well established. The hope of those who have worked to establish this new industry is that the Florida grape, by coming into the market weeks ahead of the product of any competing State, will be able to meet the demands of those who hunger for this fruit and seek the earliest to be procured. Their belief is that the flavor of the Florida grape will be found so superior that they can hold the market, even after those grown elsewhere are offered. This hope will be destroyed and this expectation of high reputation will be disappointed if the Florida grape becomes a synonym for sourness or tastelessness. The grape is not a fruit that will improve after it is separated from its parent vine....There is a movement afoot among citrus growers to have the legislature, at its next session, enact a law with 'teeth' in it to punish the shameless action of those who send to market citrus fruit unfit to eat, to the injury of the reputation of the Florida product. Let the promoters of this plan include all Florida fruit within these legal restrictions, and grapes especially. It may be too late to retrieve the reputation of Florida grapes for this year. But if the legislature enacts such a law and recognizes the Federal standards, providing for confiscation of all grapes that do not come up to standard and for State inspection at shipping points, in conjunction with Federal inspection, next year's crop may find a booming market. Such a law will aid to put the Florida grape before the public on its merits. It may be relied upon, we believe, to advertise itself by its superior quality, its fruity flavor, and add permanently to the horticultural resources of the State."

South African Cotton

According to advices received from British cotton trade circles, a good grade of cotton is now being grown in South Africa and, while the production is still small, being more or less still in the experimental stages, interests concerned in the development say "it is a most promising industry and is likely to become shortly a source of much wealth to South Africa. Cotton exports from South Africa during the past few years are said to have shown considerable progress for an infant industry. (N.Y.Times, Aug.12.)

Section 2
MARKET QUOTATIONS

Farm Products

Aug.13: Chicago hog prices declined for the week, closing at $9.65 for the top; $8.50 to $9.50 for the bulk; medium and goo beef steers $6.75 to $10.40; butcher cows and heifers $3.50 to $9.75; feeder steers $4.50 to $8.25; light and medium weight veal calves $8.75 to $11.75; fat lambs $11.75 to $13.90; feeding lambs $11.25 to $13.25; yearlings $8.50 to $11.50; fat ewes $4 to $8.

Eastern Shore Virginia and Maryland Cobbler potatoes closed at $2.25-2.50 per barrel in New York; $1.65-1.85 f.o.b. Onley, Virginia. California cantaloupes Salmon Tints, standards 45's $4.25-4.50. Maryland and Delaware Salmon Tints $2.75 -$3.00 in New York and Pittsburgh. Watermelons steady to firm. Georgia, North and South Carolina Tom Watsons, 24-30 pound average, $225-425 bulk per car in leading markets; $175-375 f.o.b. Macon, Georgia. Georgia and North Carolina Elberta peaches $2.50-3.25 per six basket carrier and bushel basket in leading markets. Early varieties of apples sold at $2-2.50 per bushel basket for best stock in eastern cities. New York Big Boston lettuce ranged $1.00-2. per crate. Connecticut Valley yellow onions $2.75-3 sacked per 100 pounds in New York and Philadelphia.

Closing prices, 92 score butter: New York 38 1/2¢; Philadelphia 39 1/2¢; Chicago 37¢; Boston 38 1/2¢.

Closing prices at Wisconsin primary cheese markets August 12: Twins 18 3/4¢; Flats 19¢; Single Daisies 19 1/4¢; Double Daisies 19¢; Longhorns 19 1/2¢; Square Prints 20¢.

Grain prices quoted Aug. 13: No.1 dark northern spring Minneapolis $1.31-1.52. No. 2 hard winter Chicago $1.29-1.30 1/2; St. Louis $1.24 1/2-1.25 1/2; Kansas City $1.18-1.28. No.2 red winter Chicago $1.31 1/4-1.32 3/4; St. Louis $1.34-1.37; Kansas City $1.32-1.33. No.2 yellow corn Chicago $1.16 1/2-1.17 1/2; Minneapolis $1.12 3/4-1.13 1/4; No.2 mixed corn Chicago $1.16. No.3 yellow corn Chicago $1.16-1.16 1/2; Minneapolis $1.10 3/4-1.11 3/4; St. Louis $1.16; Kansas City $1.08-1.09. No.3 white corn Kansas City $1.06-1.07; St. Louis $1.13 1/2. No.3 white oats Chicago 50 1/2-53 cents; St. Louis 50 1/2-51 1/2 cents; Kansas City 52 1/2 cents; Minneapolis 48 1/8-48 5/8 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 106 points, closing at 28.08¢ per lb. New York October future contracts declined 118 points, closing at 27.17¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug. 13,	Aug. 12,	Aug. 13, 1923
20 Industrials	101.60	101.51	88.95
20 R.R. stocks	91.23	91.50	78.10

(Wall St. Jour., Aug. 14.)

DAILY DIGEST

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Vol. XIV, no. 39 Section 1 August 15, 1924

President on Agriculture

President Coolidge, in his speech accepting the nomination as candidate for President said: "....We now need in agriculture more organization, cooperation and diversification. The farmer should have the benefit of legislation providing for flood control and development of inland waterways, better navigation east and south from the Great Lakes, reclamation and especially relief for those who can not meet their payments on irrigation projects. But the main problem is marketing. Cooperative effort, reorganization of the freight-rate structure, good business, and good wages in manufacturing, and the settlement of European affairs will all help to provide better market conditions....A wise, skilled and unselfish leadership can do more than anything else to rescue agriculture. The farmer needs leaders who will stay with him, who have the tact and the courage necessary for management and who have the fidelity to refuse political preferment and business opportunity. There are such leaders. In the sacrifices they make to serve the farmer lies the greatest hope for his salvation."

Coffee Supply

Despite the recent revolution in Sao Paulo, coffee supplies in the United States are sufficient to meet all consumption demand and stock replenishment from Brazil with continued regularity is assured, Felix Coste, Secretary of the National Coffee Roasters' Association, announced yesterday. (Press, Aug. 15.)

Agricultural Education in Italy

The foundation in Rome of a new school for training agricultural specialists, to be conducted under the auspices of the Ministry of National Economy, is announced in the official gazette to-day. The institution will give special attention to the development of waste lands and to details of farming.(Press,Aug.15)

The International Conference

An Associated Press dispatch from London to-day says: "Chancellor Marx is awaiting instructions from Berlin before he can proceed further with the negotiations looking to a compromise on the Ruhr evacuation. The reparations conference is at present deadlocked on this question. The German delegation has been advised that President Ebert has called a cabinet meeting for tonight, but no decision is expected before tomorrow."

Cotton Consumption

A Washington dispatch to the press of August 15 says: "Cotton consumed during July totaled 346,671 bales of lint and 40,884 of linters, compared with 350,277 of lint and 39,583 of linters in June this year and 462,654 of lint and 45,933 of linters in July last year, the Census Bureau announced yesterday."

Section 2

Agricultural Situation

A Washington dispatch to the Journal of Commerce for August 14 says: "American agriculture has turned the corner toward definite improvement and farming conditions throughout the country are on the upgrade. President Coolidge was understood to have been advised yesterday by Eugene Meyer, managing director of the War Finance Corporation, and C. T. Jaffray, of Minneapolis, president of the Agricultural Credit Corporation. Mr. Meyer has just returned from a trip across the continent, in which he made a survey of agricultural conditions in a number of Middle Western States. Mr. Jaffray, who is head of the emergency credit organization formed to meet the recent crisis in the Northwest, has just made a tour of that section. They told Mr. Coolidge, it is reported, that generally throughout the farming belt there are good crops on reduced acreage. This, it was pointed out, meant a larger yield at reduced cost of production and greater returns to the farmers. It was reported that the indications point to a good wheat crop in the Northwest on a small acreage. As compared with conditions in that section a year ago, it was felt that the trouble with the Northwest last year was the lack of a wheat situation rather than because of wheat. Last year, it was felt, there was such a poor wheat crop in the Northwest that the farmers there could make no return, while this year the indications point to a good harvest with lessened expense. Vast improvement in conditions and better crops as well as better prices for wheat were noted in Kansas and the neighboring sections, and though it was realized that in some States, such as South Dakota, wheat was not as important as corn, it was pointed out that the latter crop was exceptionally good and extraordinary prices prevailing. Diversified farming throughout the West, it was reported, is taking place at a good rate and showing results. Many farmers, it was stated, are bringing in sheep and cattle and getting away from the one-crop habit."

American Exports

A Washington dispatch to the press of August 14 says: "The Spanish and German Governments have just made a new commercial arrangement which is expected to greatly help Germany's export trade to Spain in competition with that of the United States. The so-called anti-dumping tax which previously was in force against German goods and virtually prevented their being imported into Spain is abrogated. Officials here admit that the new arrangement will undoubtedly have an adverse effect upon American exports to Spain, particularly manufactured articles....If it is found that there is anything in the new decree which works an injustice to American interests, it is expected that the question will be taken up by the American Embassy in Madrid, which is now trying to negotiate a new commercial treaty with Spain."

Cotton

The Progressive Farmer for August 9 says: "....If the price of cotton remains high, it is probably true that cotton will be grown in considerable quantities somewhat to the north of what we at one time regarded as the Cotton Belt. However, this is not the

first time cotton growing has been attempted considerably north of the Mason-Dixon line. Just after the Civil War, the price of cotton soared to extraordinary heights and some of our northern friends concluded that cotton was a good crop for their section. They tried it for awhile, but when prices dropped to their customary plane, they found that cotton was not a profitable crop after all. While cotton may to a certain extent adapt itself to short seasons, it will always thrive best where there is a plenitude of hot weather. Furthermore, if cotton can adapt itself to short seasons, it is possible that the boll weevil can become inured to the cold weather of the Middle Atlantic Coast. With short seasons and possibly low prices and boll weevil, Northern farmers will not find cotton a very profitable crop. However, we do not feel that there is any basis for comparing cotton growing in the North with dairying in the South. There is no reason at all, so far as the climate is concerned, why dairying should not be conducted with profit in the South, but there are climatic hindrances in the way of profitable cotton production 'as far north as Philadelphia.' "

California Fruit Prices

A Fresno, Calif., dispatch to the press of August 14 says: "The uniformly high prices that are being received for fruit and other farm products in this State have caused bankers and fruit men here to make the prediction that Fresno and the interior of California, including the Sacramento and San Joaquin Valleys, will experience the coming winter, prosperity greater than at any time since the close of the World War. The prediction is based on estimates made public by J. L. Nagle, general manager of the California Fruit Exchange, showing that the total gross price received for California's fruit crop alone this season will approximate $120,000,000. Nagle estimates that the State will ship 60,000 carloads and that the average price, based on returns already received, will be $2,000 a carload."

Flour Market

An editorial in Modern Miller for August 2 says: "Flour buying continues along very conservative lines; but the volume has expanded and the Southwest has sold possibly 50 per cent above their weekly output. There has been no rush buying and buyers are still dazed at the sudden change that has come. The tone of the market has undergone a complete change. Buyers find that a bearish attitude is not very potent in inducing sellers to offer bargains. That day seems to have definitely passed. But buyers still discount the strength of the situation, at least many of them, and they are not profiting by their attitude. Without any stampede to buy flour the markets show consistent strength. The crop movement is slow and there is no prospect of heavy terminal accumulations to depress the markets. Grain men insist that sales of export wheat are notably larger than reported. In other words, foreign wheat importers seem to have more confidence than domestic flour buyers. As long as terminal wheat supplies are light and domestic flour stocks are moderate, the underlying strength is sound. Profit taking in the pits did not more than cause temporary recessions in price. The market has reached a resting point. The high level only invites buying on important developments. Bears have not reached the point where they are willing to sell the market short. In other words it continues to date a bull market."

Grain Grading in Canada

The Grain Growers' Guide (Winnipeg) for August 6 says: "The Royal Grain Enquiry Commission extends no sympathy to the proposal emanating from some people in Vancouver that there should be a new grading system established and a new name provided for wheat going out by the Vancouver-Panama route. The report of the Commission says: 'We strongly deprecate as unwise any change in the system that would lead to divided responsibility and differences of method in classification and inspection of all grain for Western Canada.' One uniform system of grain standards is an essential to the best financial returns for our wheat. Our western Canadian wheat at present goes to the world's markets under the name of 'Manitoba' wheat, because when the grading system was established the western wheat was nearly all grown in Manitoba. While the name 'Manitoba' as applied to all western wheat is a misnomer, as the great bulk of the wheat is now produced in Saskatchewan and Alberta, yet the word 'Manitoba' has become established on the world's markets, and is, consequently, a valuable asset. The producers in Saskatchewan and Alberta are not so much interested in the name under which the wheat is sold as in the price which it brings. It would, however, be rather absurd to send prairie wheat abroad under the name of 'Vancouver' wheat. If ever the name of western wheat is to be changed it should have some name derived from the territory where it is produced, and not merely of the port through which it passes on its way to the export market."

"Political Markets"

An editorial in Modern Miller for August 2 says: "For several weeks Modern Miller has noted the existence of belief that politics is a factor in the recent advances in corn and wheat. Political manipulation has been suggested in reviews sent us from numerous sources. Opinion is no substitute for facts and those who think the present market is a manufactured one, and manipulated to help some political party are simply fooling themselves. Politics did not cause the abnormally cool weather and slow growth of cereals and fruits. Canada is not interested in American political manipulation and there is no connection between Canadian drought and politics in the States.....Is it possible that Canadian grain men and bankers are helping American political parties? Surely this notion that politics is booming wheat and corn ought to give way to an avalanche of facts."

Production

Sioux City Live Stock Record for August 7 says: "Of course, there may be some question as to whether the man is quoted right or not, but Charles E. Hearst, president of the Iowa Farm Bureau Federation, made a speech at the picnic of Woodbury County farmers yesterday, which was held at Climbing Hill and was very largely attended. In a report published in the morning papers, Mr. Hearst is credited with saying: 'The farmer has no right to attempt to regulate production. People in charge of the natural resources of the country are morally obligated to give to the people of the country a sufficient supply at all times. This puts the farmer in a condition where he must presume that every year is going to be "a lean year". If he acted on the theory that every year was to be a good year and would produce crops accordingly, in good years he could get fair prices and in lean years he would get big prices, but in lean years many people would face starvation.' The only

alternative, Mr. Hearst declared, is for the farmer to produce as much as he can every year. In such a case, in lean years there would be no complaint as the supply and demand would be about equal. But under such a system when there are bumper crops, the crops compete against the farmer and so he is made to suffer for doing his duty in providing against famine. Of course, we do not put up any claim that Mr. Hearst is quoted correctly. But, assuming that he is so quoted, then the farm bureau is to be congratulated in that it is getting leaders who take logical views of situations instead of making demands based upon half-baked dreams."

Section 3
MARKET QUOTATIONS

Farm Products

Aug.14: Chicago hog prices closed at $10 for the top and $8.90 to $9.75 for the bulk. Medium and good beef steers $6.75 to $10.60; butcher cows and heifers $3.35 to $9.75; feeder steers $4.50 to $8.25; light and medium weight veal calves $9.25 to $12.

Eastern Shore Virginia and Maryland Cobbler potatoes $2.00-2.75 per barrel in leading eastern markets; $1.75 to $2 f.o.b. Onley, Va. New Jersey Cobblers $1.35-1.65 sacked per 100 pounds in city markets; $1.15-1.25 f.o.b. New Jersey points. Georgia and North Carolina Elberta peaches closed at $2.25 to $3. per bushel basket and six basket carrier in eastern markets. Arkansas and Missouri Elbertas $1.75-2.50 in midwestern markets. California cantaloupes, Salmon Tints, standards 45's, $3.50-4.50 in leading cities, top of $5 in Boston. Delaware and Maryland Pink and Green Meats $1.75-2.50. Georgia, North and South Carolina Tom Watson watermelons, 22-26 pound average, $250-$450 bulk per car. Early varieties of apples sold at $2.00-2.50 per bushel basket for best stock in eastern cities. Yellow varieties of onions, $2.50-3.00 sacked per 100 pounds in leading markets.

Closing prices, 92 score butter to-day: New York 38¢; Philadelphia 39¢; Chicago 37¢; Boston 38 1/2¢.

Closing prices at Wisconsin primary cheese markets August 13: Twins 18 1/2¢; Single Daisies 19 1/4¢; Longhorns 19 1/2¢; Square Prints 19 3/4¢.

Grain prices quoted Aug. 14: No.1 dark northern spring Minneapolis $1.31-1.51 3/4. No.2 hard winter Chicago $1.27 1/2-1.28 1/4; Kansas City $1.17 1/4-1.26; St. Louis $1.24 1/2-1.26; No.1 red winter Chicago $1.31 1/2. No.2 red winter Kansas City $1.30-1.32; St. Louis $1.36-1.38. No.2 yellow corn Chicago $1.18-1.18 1/2; Minneapolis $1.12 3/4-1.13 1/4. No.3 yellow corn $1.16 1/2; Kansas City $1.09; St. Louis $1.17 1/4-1.17 1/2; Minneapolis $1.10 3/4-1.11 3/4. No.3 white corn Kansas City $1.07; St. Louis $1.15. No. 3 white oats Chicago 51 3/4-53 1/2 cents. Minneapolis 48 1/8-48 5/8 cents; Kansas City 52 cents; St. Louis 52 1/2 cents.

Average price of Middling spot cotton in 10 designated spot markets advanced 38 points, closing at 28.46¢ per lb. New York October future contracts advanced 48 points, closing at 27.65¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug.14,	Aug. 13,	Aug. 14, 1923
20 Industrials	102.86	101.60	89.60
20 R.R. stocks	91.38	91.23	78.31

(Wall St. Jour., Aug. 15.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 40 Section 1 August 16, 1924

Agricultural Credit Corporation

Negotiations are under way, it was understood to-day, for the extension of a substantial loan by the War Finance Corporation to the Agricultural Credit Corporation. The proposed loan, it is understood, would approximate $1,000,000 and developments in the transaction are expected shortly. The extension of such a loan by the War Finance Corporation would signalize the first step toward the possible expansion of the credit facilities of the Agricultural Credit Corporation to upward of $40,000,000 under the policy of the administration for making available Government resources for farm credit through private organizations. (Journal of Commerce, Aug.15.)

Cotton

A Norfolk dispatch to the press of August 16 says: "Nearly $49,000,000 worth of cotton--433,944 bales--were shipped through this port during the 1923-24 season just ended. The figures published to-day set a new high record for the port, and also show that the first time in history more cotton was sent from Norfolk to Germany than to Liverpool, for many years chief buyer of the commodity sent from this section."

A New York dispatch to the press of August 16 says: "Cotton prices collapsed this afternoon after publication of a crop estimate of 13,300,000 by an internationally-known spot and commission house, or approximately 1,000,000 bales more than the Government report as of August 1."

Argentine Cotton

Argentine cotton planters are actively preparing for the coming season, and it is reported that the 1924-25 acreage will be the largest in Argentine history, Trade Commissioner Brady at Buenos Aires reported to-day to the Commerce Department. (Journal of Commerce, August 14.)

New Jersey Farms

A Trenton, N.J., dispatch to the press of August 16 says: "New Jersey's rich farm lands no longer supply the food needs of its own population. This is the discovery made by agricultural officials in an exhaustive study of the food production and consumption situation in this State, the survey indicating that with the steady increase in population there has been a decline in the area of improved farm lands. Because of intensive farming methods and scientific agriculture, however, it is pointed out that the actual total production, even on the smaller acreage, shows an increase. The changing conditions have made it possible for New Jersey farmers to sell within their own State virtually all the food they raise, if distribution plans are created to meet the new opportunities."

Section 2

Agricultural Situation

Michigan Manufacturer and Financial Record for August 9 says: "American wheat growers will get from $100,000,000 to $200,000,000 more for their wheat this year than last, assuming that they sell something over 500,000,000 bushels. This is considerably less than the $1,000,000,000 increase estimated in some quarters, but bespeaks increased ability to pay debts and general improvement in financial conditions in the wheat country The corn situation is by no means good. Much of the crop is so far behind that it will need something approaching a frostless fall to mature. Corn is a feed crop and high prices add mainly to the cost of livestock. The significance of the corn situation lies in its effect on livestock production and prices during the coming year. Expensive corn this fall will prolong the liquidation of breeding stock now in process. Unless history is a faithless guide, hogs and high-grade cattle will be good property before this time in 1925. A six per cent increase in dairy cows in the country over last year is reported the increase being greatest in the West. The South is going through critical days now but cotton bids fair to produce a larger and more evenly distributed income than last year. All in all, this season promises to give agriculture some increased economic leverage."

Grain Merger

An editorial in The Prairie Farmer for August 2 says: "The mere fact that a marketing company is owned and controlled by farmers is no guarantee that it will be operated in the interests of the majority of producers. The history of some of the joint-stock farmers' elevators is sufficient evidence of that. In some of these, ownership is in the hands of a few farmers and others, and the elevator is operated primarily for profit, sometimes taking a much wider margin than near-by private elevators. One advantage of the pooling-contract type of cooperative is that the directors and officers must be producers. They must contract their crop to the cooperative on an equal basis with every other member. They can get no more than the average pooled price that is paid every other member. These safeguards do not exist in the new Grain Marketing Company, which has neither pools nor contracts. That is why it is so necessary that the proposition and the personnel be examined with great care....."

"Pittsburg Plus"

An editorial in The Wisconsin Agriculturist for August 2 says: "The practice of adding fictitious freight rates to the cost of manufactured steel was dealt a death blow by the Federal Trade Commission....Nearly four years ago we appeared before one of our own legislative committees, urging that a small appropriation be made by Wisconsin to assist in the fight to remove this menace to business and farming in the Middle West. We stated that if 'Pittsburgh Plus' were removed the farmers of Wisconsin could save $2,000,000 in the purchase of farm machinery and fencing. Wisconsin entered the fight. 'The saving to the farmers in eleven Central States,' says W. E. McCollum, secretary of the Western Association of Rolled Steel Consumers, 'will amount to a minimum of $30,000,000. Wisconsin's share in the saving will be $3,000,000 annually.' The victory is conclusive proof that organized effort on the part of farmers is necessary to overcome some of the difficulties that confront the American farmer. It is also a demonstration of the wisdom of having farmers on our Federal boards and commissions."

Section 3
MARKET QUOTATIONS

Farm Products

Aug. 15: Chicago hog prices closed at $10.15 for the top and $8.90 to $10 for the bulk. Medium and good beef steers $6.90 to $10.60; butcher cows and heifers $3.25 to $10; feeder steers $4.50 to $8.25; light and medium weight veal calves $9.25 to $12.50.

Closing prices, 92 score butter to-day were: New York 38¢; Philadelphia 39¢; Chicago 36 3/4¢; Boston 38 1/2¢.

Closing prices at Wisconsin primary cheese markets Aug.14: Twins 19¢; Cheddars 19¢; Single Daisies 19 1/2¢; Longhorns 19¢; Square Prints 19 1/2¢; Young Americas 19 1/2¢.

Eastern Shore of Virginia Cobbler potatoes $2-$3 per barrel in leading markets; $1.75-$2 f.o.b. Onley, Va. Kansas Cobblers $1.35-1.55 carlot sales in Chicago. Georgia Elberta peaches $2.50-3.00 per bushel basket and six basket carrier in eastern cities. North Carolina Elbertas $2.75-3.50. Georgia, North and South Carolina Tom Watson watermelons, 22-26 pound average $230-425 bulk per car in eastern cities. California cantaloupes, Salmon Tints brought $3.50-4.50 per standard 45 in leading cities. Indiana Salmon Tints $2.50-3 in a few markets. Delaware and Maryland Pink and Green Meats $1.25-1.75.

Grain prices quoted Aug. 15: No.1 dark northern spring Minneapolis $1.35-1.55 5/8. No.2 red winter St. Louis $1.37-1.42; Kansas City $1.32. No.2 hard winter Chicago $1.29 3/4-1.33 3/4; St. Louis $1.28 1/2-1.29; Kansas City $1.18 1/2-1.26. No.2 yellow corn Chicago $1.20-1.21. No.3 yellow Chicago $1.18 3/4-1.20. Kansas City $1.10-1.10 1/2. No.3 white corn Chicago $1.18 3/4-1.19 3/4; St. Louis $1.17; Kansas City $1.09-1.09 1/2. No.3 white oats St. Louis 54 1/2 cents; Kansas City 52 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 78 points, closing at 27.68¢ per lb. New York October future contracts declined 80 points, closing at 26.85¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Aug.15	Aug. 14,	Aug. 15, 1923
20 Industrials	104.01	102.86	80.23
20 R.R. stocks	91.91	91.38	78.74

(Wall St. Jour., Aug. 16.)